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4 October 1983

## NEAR EAST/SOUTH ASIA REPORT

No. 2832

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CRITICAL QUESTIONS RAISED OVER OMANI-AMERICAN RELATIONS

Kuwait AL-TALI'AH in Arabic No 804, 10 Aug 83 pp 26-29

[Article: "Reading Into the Statements of the Sultanate's Minister. Is Capitulation a National Decision and Where Is the Gulf's Interest in Supporting American Policy?"]

[Text] The Omani minister of state for foreign affairs, Mr Yusuf al-'Alawi, held a press conference during his visit to Kuwait the evening of 2 August 1982 in the belief that an encounter with leading press and media personalities is, in his words, "the means by which we can talk and have a dialogue with them so that they may convey to public opinion the facts and positions."

But the conference turned into a confrontation of facts by the journalists who confronted Mr al-'Alawi with positions and facts of their own to counter his positions and facts. It seems that the brother journalists were not convinced that (their mission) stops at their being "a means" of conveying al-'Alawi's "positions" and "facts" to public opinion, but rather, that the public has something to say too.

If we were to review the questions put to the guest minister, we would find that they contained realistic facts and positions and that his answers to them could be summarized as defending the positions and facts he believed in and what his government believed in.

What Kind of Friend Is This?

There were two central points around which revolved the most important questions or facts put to the minister by the journalists.

First, relations with America and the West and with the American intervention forces and their facilities in the Sultanate of Oman, in light of threats posed by American policy to many Arab regions.

Second, the Sultanate's position that ardently supports the Camp David Accords, and its provocation of the Arab citizen by this kind of policies, at a time when these accords and other American plans like them represent nothing but an equivocal call for capitulation and submission.



The minister's replies to these facts and positions were a reiteration of what several Arab regimes had already said, be it through al-Sadat himself before hopping over to Tel Aviv, or through a number of Arab kings and presidents, who, it seems, have not tired of their broken record.

He explains relations with America on the basis that it is "a friend" and "the United States must not be regarded with hostility or as representing a peril to the Gulf states." With regards to the Gulf, we find that America, and the West in general, have special relations with the Gulf states and that the means of "development" in the Gulf are carried out through the West.

"In all the stages we have not witnessed any intentions by it--America--to occupy the Gulf states. On the contrary, they were ready to support the Gulf states."

He added in affirmation that "we have decided to grant some facilities" to American naval forces stationed in the Indian Ocean when we saw that they do not violate Oman's sovereignty or our interests and those of the sisterly countries.

Hence, this reply reflects a refutation of the facts presented by the journalists. Rather, it was an attempt to make them understand that "their facts" were wrong. So, where do the facts lie? And, how can we understand this matter?

Going back to the American decision to create American intervention forces and set up military bases in the Gulf region--called facilities for the sake of distortion--we find that the decision came about in view of the fact that the region is an area of common Western-American interests, that is, the United States clearly believes that "Arab oil" in the Gulf region is hers and, therefore, oil revenues must keep on flowing, ad infinitum, into its institutions and that the region's markets as "consumer markets" and not "development" markets as Mr Minister alleges, represent a vital free area for American companies and their transactions.

Not one American official has concealed these strategic objectives to safeguard "the oil and its dollars" through direct intervention should it be deemed necessary.

To justify such hegemony, American policy has invented the talk of "Soviet danger" to Gulf oil. The Omani minister's statements about "Soviet intervention in the Sultanate's internal affairs" and about the struggle of the Great Powers in the Indian Ocean are nothing but a reiteration of this American justification. He came up with nothing new when he considered the United States as "a friend" and the West as a "protector."

The question is, of whom?! And against whom?! What is evident as a historical fact is that the capitalist Western powers are the only ones, up until now, that have been wrestling with each other in the Gulf and have been taking turns in dominating it, unrivalled in this save for the national forces of the Gulf's peoples who believe that "the Gulf is [for] the welfare of its peoples and not [for] that of America and the West." This truism is one of the priorities of

foreign policy that is being discovered in the world by only one power, the American power and Western capitalism.

What is the Occupation and the Danger?

We, therefore, are actually being threatened not only by a coming occupation by American marines, but also in every existing moment. For the entire Gulf oil wealth is being endorsed over to the benefit of Western capitalism, be it through exportation, in accordance with a policy that forbids this region from "industrializing" the oil, or through control of its revenues by diverting it through projects of no strategic value whatsoever save for the expansion of oil exports and oil revenue channels. They are the projects of a structure that belongs to the capitalist market and are meant to serve it, from the satellite stations to the pretty airports, to the complicated computers, to the paved roads, to the purchase of the most sophisticated weapons, or the paying of the price of such weapons for us by the troops of intervention.

Is this development? Is this aid? Is this friendship? The Americans, and the West in general, do not dare reply affirmatively to these questions. If they did reply, they use these terms: "development," "aid," and "friendship," to mean and indicate that they are means that guarantee the perpetuation of the picture we have described, and the misleading terms are plentiful. Doesn't America use the term "the free world" to describe the most barbarous capitalism in history? The term "freedom" used by the American President means one thing: America's "freedom" in draining the wealth of peoples and in taking half of their destinies.

What's left, with regard to the subject of America and the West, is for us to say that what America is carrying out in the Gulf is nothing but part of a higher strategy related to what it calls its interests in the Middle East, a connection that Minister al-'Alawi completely ignored and did not think about. We know that the only "strategic ally" in the area, economically and militarily, is the concentration of Zionist settlers in Palestine. This alliance, which is closely bound to agreements such as the agreement of "strategic cooperation" and to a history of strong support most evident in the invasion of Lebanon, is based on a geopolitical fact to the effect that the region, because of its geographic location, is tied to political decisions. Hence, the matter of security of the two allies (America and Israel) is closely tied together, practically and actually, which explains America's hostility towards the Arab peoples and its attempts to impose Israeli domination over them. For Israel is the base of American security in the region; that security which can be summarized quite simply as the peoples' acceptance of and submission to the fact that their fates are in the hands of Western and American capitalism. Is there a need to prove this fact that is known to "public opinion" and that has been expressed by the journalists in their encounter with the Omani minister?

On the basis of American movements, policies and conduct, America is the basic force that appears to us with an "Israeli" face. To distinguish between the two is to make a fool of the Arab mind, of world policy planners, of history and geography experts and of every single scientific consciousness on the face of the globe.

## Fait Accompli

So what does Israel exactly want and what does America exactly want out of the Camp David agreements? And out of the Rapid Deployment Forces? These forces and those agreements for which the Omani minister appealed for support by saying "whether now or in 10 or 15 years, and in the shadow of the current international situation, a state of conciliation with Israel is inevitable," and that his advice is "to recognize the fait accompli and to deal with Arab goals?!"

What Israel and America want out of the texts of the Camp David Accords and out of the recent Israeli-Phalange agreement is not in need of conjecture or supposition, for it is the "fait accompli" which Israel and America wish to impose and which Mr al-'Alawi wants us to "recognize."

Naturally, we wish Mr al-'Alawi had said that "this is what America and Israel want and yours is but to listen and obey"; he would have saved us the trouble of explaining American and Israeli objectives. But, since he has adopted the American-Israeli "fait accompli," we are forced to explain the basic outlines of this "fait accompli."

The United States believes that continued opposition to its military and human base in Palestine will force it, in the practical sense, to intervene directly either by continuing to supply Israel with the artery of life or by sending naval troops. The continuation of this opposition, on the other hand, which is the important thing, means doing away with a base that provides guaranteed loyalty to American policy and its objective of dominating the area from the "Gulf" to the "ocean," and not the Gulf only. It is an important and guaranteed base for facing the rise of Arab liberation from the orbit of subservience to Western and American capitalism, and not as expensive to use. The settlers in it have ambitions to form a state and to expand its military, political and economic boundaries. Here is where American-Israeli objectives, often described as "strategic," meet and march in perfect strides: "American bases (facilities); agreements for the capitulation of the Arab region; settlements and more Jews brought into Palestine; development of Israeli military capability; continued flow of crude oil to the West; continued flow of petro dollars.

All these steps reach perfection in the horizon of the so-called U.S. "higher interests."

The main key for the continuation of these steps is the guarantee of Arab "capitulation" rather than Arab "conciliation," as the Omani minister said. The true meaning of this word cannot be extracted from political commentaries but from earthly "facts."

As long as the Omani minister likes "facts" and "reality," we refer to him the following:

--What is the meaning of setting up political and military relations that call for the Arab regimes to stand as a guard for all that is Israeli and American?



--What is the meaning of striking at the economic boycott and of the "normalization" called for?

Basic lessons learned by university students define economic relations as the most dangerous sphere of political struggle. For, first and foremost, to boycott the enemy is to confine his strength and to prevent him from exploiting Arab energies in the service of his aggressive objectives. To agree to safeguard the enemy's security through military and security agreements means that the Arab countries are required to be satisfied with the job of an unpaid guard for such countries.

We need not emphasize that such "facts" reaffirm that the "conciliation" they talk about is nothing but capitulation and submission.

#### Israel in the Service of Whom?

It is strange that when a journalist mentioned to the Omani minister that the calls for "normalization and recognition of Israel" were nothing but capitulation and submission, the minister replied by saying that he fully agreed with him, charging Arab rulers with insanity and describing the Arab situation as fragmentary and servile. Wonder why? Why such capitulation and submission? Rather, why does the minister call for what he himself calls capitulation? Is it a linguistic slip...or what?

We shall not wait for an answer...for we and the Arab masses know the facts and positions.

But, we only wonder whether it is possible to combine "capitulation" to Israel and America, handing over to them the destinies of this nation, and the role of the Arab nation in the world and in building itself economically and in discovering its will? He said that "what has happened after 5 years of experience is exactly what we expected; and we were of the opinion that it was not beneficial to expel Egypt from the Arab world, that what happened in the Baghdad summit has started to collapse, and that those who accept it, fine; and those who don't accept it, well, it's their business."

He went on to say "the subject of relations with Israel was called for by Arab leaders during Arab summit conferences. The Arab nation cannot have a role in the world if it does not build itself up economically, and if it had to search for its lost will."

He uses words that have no realistic meaning. First, there was no expulsion of "Egypt" in the Arab world but a boycott of a regime that the Egyptian masses rejected and still do. Second, the matter is not one of "relations with Israel," but one of Israel's "aggression" and how to deal with it. Or, were the Arab summits' communiques that spoke of aggression deceiving us?

The relationship, according to Israeli logic, is one of acceptance and submission to the strategy of a Zionist movement with a complete design to build a domineering Jewish state in the Middle East. When we call the matter simply "relations with Israel," we make it sound as if the Arabs have an option in

choosing the form of the relations, which is not true. Israel has been imposed on them, and its design has been imposed as well, and there is no choice but to capitulate or resist.

Moreover, this reply unites two antitheses as though this relationship with Israel, such as the one set up by the Sadat regime or that is being established by the al-Jumayyil rule, is a way for the Arab nation to play a role in the world, to build itself economically and to find its will!

This is a strange unity. For why was Israel established in the first place? Why this American zeal to render it the most powerful in the area economically, politically, militarily and geographically? Is it for the sake of the Arab nation so that it can play a global role, build its economy and find its will?

Didn't it destroy all the capabilities of the Arab nation on the international level?; didn't it ruin its economies, rendering them, the possessor of the largest human and material wealth, incapable of protecting its capitals? Didn't it rob it of its will, making it a hostage of Israel and America ever since its leaders adopted American "friendship," "recognition of Israel," and facilities for American soldiers and companies?

Isn't this the reality? Isn't this the only door "for dealing with Arab goals," that is, to understand the facts and positions the way they are and not the way they want to subdue and blot them out?

In replying to a journalist who asked that the Arab governments conduct a referendum about this issue, the Omani minister said that this matter should not be brought up now but in the 22d century. We say that it must be brought up now for, should the capitulatory policies persist and such logic prevail, there will not be an Arab presence in the 22d century, except as a trademark on Israeli "corned beef" cans. The Arab fate will not be any different than that of the Red Indian whose photos are being used on American "bean" cans.

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BRIEFS

YAR-PDRY JOINT MINISTRIES--Arab observers welcomed the agreement completed between Sanaa and Aden to form a foreign ministry shared between the two parts of Yemen in accordance with the provisions of the unity treaty which was arrived at in 1979. The official statement that was issued in Sanaa at the of 2 days of consultations between the two parties said that the joint committee formed to study this subject agreed on the basic lines of a unified Yemeni foreign policy to be represented by a joint foreign ministry and joint diplomatic missions. It is known that there is a joint interior ministry which was formed out of the agreement of last May. [Text] [London AL-DUSTUR in Arabic No 298, 8 Aug 83 p 12] 9587

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# ATTITUDES TOWARD LOCAL, FOREIGN PRODUCTS VIEWED

Cairo AKHBAR AL-YAWM in Arabic 6 Aug 83 p 16

[Article by Sa'id Sunbul: "Western Foreigners' Merchandise Before the Open-Door Policy!"]

[Text] Most, if not all, developing countries suffer from what is called the "Western foreigner complex." Even the Japanese, whose country has recently begun to surpass the U.S. and the nations of Western Europe, used to suffer to some degree from the Western foreigner complex.

Twenty years ago I visited Japan for the first time. At that time the Japanese automobile industry was a new industry. Production by this industry was limited, few cars were exported, and the names of the automobile industry companies were practically unknown.

At that time I met a young Japanese and asked him his opinion about the cars which were being produced by his country's automobile plants. He curled his lip and answered: "They are no good. I prefer American cars."

At that time Japanese cars were, in fact, considered to be primitive cars in comparison with American or European cars. However, Japan has managed to develop this industry very fast and within the space of a few years has managed to conquer various world markets, including the U.S. market itself--and the U.S. has been considered a major stronghold of automobile production in the world!

We Egyptians also suffer from the Western foreigner complex. Many of us prefer foreign goods and products to Egyptian goods and products. All we have to do is to tell a consumer that such-and-such a product is a foreign product, and he will be convinced that it is good and will be anxious to buy it, even though its quality level might be lower than that of a similar Egyptian product!

The Western foreigner complex in Egypt did not arise from a vacuum. It is a complex which has had its objective causes, and there are historical reasons for it.

Before the [1952] revolution Egypt was an agrarian society and its economy depended on agricultural production and services more than on industry.

There were, of course, some industries. However, these industries were of limited scale and did not satisfy the requirements of Egyptian consumers, nor did they provide all of the products which our consumers were demanding.

In those days Egypt had a privileged class. This was a class of wealthy people and consisted mostly of foreigners, naturalized citizens of Egypt, and a small sector of wealthy and powerful native Egyptians.

People in this class used to always wear foreign imported clothes and use only foreign imported products, and quite often they ate foreign imported food!

This class of people represented the epitome of the aspirations of those in the middle class. Individuals in this middle class strove to imitate those in this wealthy class who preferred foreign products and were proud of the fact that they were consumers of imported foreign goods. One thing which contributed toward intensifying this feeling was the fact that there was a shortage of goods produced in Egypt and Egypt's industries were unable to produce enough to satisfy consumers.

Tal'at Harb, via Banque Misr, attempted to set up national industries whose products would replace those of foreign industries. However, even though this attempt was a success, Egypt's industries still could not produce enough to enable them to be able to do without imported foreign goods.

During the forties the clash between the national [liberation] forces in Egypt and the forces of British imperialism intensified. Cries were heard and there, calling upon Egyptians to boycott British goods--just like what happened in India during the years of British colonial rule there.

But these appeals were not successful because Egypt's industries did not produce enough and they were not able to satisfy the requirements of Egyptian consumers. Also, Egypt did not have a person such as Gandhi who called upon his people to follow an approach of austerity, to spin their own yarn and make their own clothes, and to wear these simple homemade clothes themselves instead of eagerly buying foreign clothes.

Thus the need for foreign products continued to exist, and people continued to have the desire to consume everything which was foreign and imported.

When the July 23 Revolution occurred, Egypt succeeded in liberating itself from rule by the palace and succeeded in getting British forces to leave Egypt. Egypt then began to regain its national Egyptian character.

After the nationalization of the Suez Canal and the failure of the Tripartite Aggression against Egypt in 1956, the Egyptian revolution began following the policy of liquidating the domination of foreign capital over the Egyptian economy, and this policy turned out to be quite successful.



It enabled Egypt to regain its Egyptian national character and Egypt managed to get rid of domination by the foreigners which had gone on for almost a whole century.

At the end of the fifties the Egyptian revolution began concentrating on developing industrial production via its first development plan. This required that Egypt limit its imports. In fact, it required a prohibition on the importing of many foreign goods which, before this time, had been flooding the Egyptian markets.

During the early sixties the government resorted to a policy of nationalization, confiscation of capital, and announced that it was going to follow a policy of socialism rather than capitalism.

The revolution succeeded in accomplishing all of these achievements. But it failed--or we should say that it did not try--to change people's behavior and create circumstances which would induce Egyptian citizens to prefer the products of their own country and thus enable them to get rid of this Western foreigner complex.

The Western foreigner complex continued in Egypt in spite of all the achievements of the revolution. One thing which contributed toward the continued existence and growth of this complex was the smuggling of goods into Egypt which went on. This smuggling began on a limited scale, but it soon turned into a large-scale organized business. The government knew it was going on, and perhaps even encouraged it!

During the early sixties, when it was forbidden to import goods from abroad, smuggling operations began on a small scale. This smuggling involved a few items such as razor blades, batteries, clothes, cigarettes, and other consumer goods. These smuggled goods were then sold on the sidewalks by peddlers.

However, when the war in Yemen started, some goods began to appear in Egyptian markets which Egyptians had not seen there before. These were goods such as electric refrigerators, gas stoves, electric washing machines, and other durable consumer goods.

These appliances were sold by means of classified ads which were put in the daily newspapers. It became a normal thing for a person every day to see a number of ads which advertised the sale of these appliances, the importing of which at that time was prohibited and unauthorized!

Aden was the source of these goods. At that time Aden was still occupied by the British, and there was a strong feeling of enmity between the leaders of Egypt and the leaders of the British occupation regime in Aden. Nevertheless, this enmity did not prevent goods from purring into [North] Yemen from Aden and from then coming from Yemen to Egypt!

The government closed its eyes to the flagrant smuggling of goods from Yemen to Egypt which began to take place. This attitude only encouraged

many people to bring numerous goods from Yemen and sell them in Egypt in order to earn a profit!

Yemen was not the only source of such smuggling. The Gaza Strip also became a source of foreign goods which were smuggled into Egypt. Before 1967 travel abroad was something which was virtually restricted to official persons and official delegations. It became the normal thing for such people who travelled to return to Egypt and bring back with them a lot of foreign goods and merchandise either for their own personal use or in order to sell them in Egypt!

Unfortunately the government was lax in its efforts to--or rather, was unable to--put a stop to this phenomenon, and it became a general pattern of behavior for some of our citizens who were in positions of influence!

Once a high official was returning on a private plane from a business trip abroad and, as usual, all of the suitcases on board the plane went through customs without being inspected. But a few days after the return of this high official, AL-AHRAM published a large article right in the middle of its front page which said that the people accompanying this high official returning from his private business trip had taken their luggage out of the customs area without paying the customs duties which they were supposed to pay on their purchases, and the article said that this incident was being investigated!

At that time people were very surprised by this. They were not surprised that the luggage of the high official and the people accompanying him had been taken out of customs without customs duties being paid on the items in the suitcases. This was a normal and usual thing as far as all important personages were concerned. The thing which surprised them was the fact that they could not figure out why this man, rather than all the others, was being exposed!

Later the people found the secret. This expose was the prelude to removing this high official from the public spotlight!

In short, smuggling began on a small scale, then expanded, became more widespread, and some people became professionals at smuggling. They felt encouraged to do this because the government did not attempt to prevent the smuggling. On the contrary, the government permitted and encouraged it since it was for the benefit of a limited category of people!

Thus foreign goods continued to pour into the country in spite of the fact that it was forbidden to import such goods, and people continued to have the desire to acquire, own, and consume such goods.

After the June 1967 defeat the Egyptian government began to relax its grip and began to permit its citizens to travel abroad after they had been forbidden to do so. The government also allowed its citizens to emigrate and to work abroad after emigration or even the thought of going abroad to work had been considered treason and making common cause with Egypt's enemies!

The government permitted those working abroad to bring in some durable consumer goods for their own personal use. These goods quickly became merchandise to be sold for profit. This was particularly the case because domestic production was still unable to satisfy the desires and needs on the part of Egyptian consumers for these goods.

Before the end of the sixties some very strange decrees were issued which transformed the smuggling business into a semi-legitimate business after it had been an illegal business!

According to these decrees, people travelling abroad were not allowed to take more than 5 Egyptian pounds out of the country with them. However, the decrees permitted people to return and bring with them a certain quantity of goods and merchandise for their own personal use. One was even allowed, for example, to bring a car into the country for personal use!

Thus, when this strange decree was in effect, thousands of Egyptians began travelling abroad and taking only 5 Egyptian pounds along with them. But when they returned, they brought in with them merchandise whose value might be more than 5,000 Egyptian pounds! The market in Egypt began to be flooded with imported foreign goods, and Egyptians began to have a big appetite for acquiring, using, and consuming such goods.

While this jumbled-up situation prevailed, a very strange type of business cropped up in Egypt—the "suitcase business"!

Normal Egyptian citizens would travel abroad and carry with them no more than 5 Egyptian pounds in their pocket. They would then return a few days later with one or more suitcases containing clothes, food, and cosmetics which were worth several hundred Egyptian pounds, and they would pay the customs duties required of them. All the customs officials could do was to collect these customs duties, even though they knew that these items were not for personal use and were going to be sold later on.

This type of business or trade was known as the "suitcase business"! For example, a teacher in Egypt who was engaging in this business would reach an agreement with an individual to have this individual travel to a foreign country—for example, to Lebanon. This individual would then spend two or three nights in Beirut. There he would meet another teacher who would give him one or two suitcases to be taken back to the teacher in Cairo. In return for performing this job, the person who travelled to Beirut would get his plane fare paid, the expenses of his stay in Beirut would be paid, and he would receive a bonus of 50 and sometimes even 100 Egyptian pounds.

This was the origin of the strangest type of business which existed in the world. It was a business which consisted of having individuals transport foreign goods from places abroad to Egypt instead of having the goods transported by means of traditional means of transport such as ships, trucks, or airplanes!



Because this business went on, the volume of imported foreign goods in the Egyptian market increased and Egyptians' appetite to acquire, use and consume foreign goods became ever larger!

As foreign goods in the markets became more and more abundant because of the semi-legitimate smuggling that was going on, numerous stores opened up [in Egypt] which sold this merchandise. Soon entire streets and entire marketplaces--for example, al-Shawaribi Street and the Libya Market--were transformed into centers for selling these goods and this merchandise.

There emerged a group of teachers and smugglers who specialized in getting around laws and finding loopholes in them. These people began calling themselves "merchants" and "businessmen"!

In my opinion the government was most responsible for this chaos which Egypt witnessed during the sixties and the early seventies. It was the government which was lax in efforts to combat the smuggling and it was the government which initially permitted some influential individuals and favored individuals to bring in foreign merchandise with no control being exercised and with nothing being accounted for. The situation finally resulted in strange decrees being issued which transformed smuggling into a semi-legitimate business after it had been an illegal business!

The markets became flooded with this foreign merchandise, and Egyptians began to have an ever greater appetite to acquire and utilize these goods. One of the objectives for travelling abroad and working abroad became that of purchasing a refrigerator, a gas stove, a washing machine, and a television set. Video-cassette machines had not yet come on the market.

In order to be just and fair one must admit the fact that smuggling was not the only thing responsible for enlarging the appetite of Egyptians for foreign goods and merchandise. In fact, industry in Egypt bears the greatest responsibility in this regard.

Egyptian industry has been unable to satisfy the needs of our Egyptian citizens for the various goods which they require. One flagrant example of this is the fact that the ready-made clothes industry has been, and still is, unable to meet our citizens' need for clothes.

No doubt this is attributable to poor planning in the past. Efforts were made in the past to set up numerous industries, but these efforts were not concentrated on the industries which provide the basic goods which our citizens require.

In addition to this, some of the industries which used to be known for their high quality have declined in quality. This is, for example, true of the textile industry. This is something which has impelled many Egyptian citizens to seek out foreign fabrics and has led them to prefer these fabrics to Egyptian fabrics.

Many Egyptian industries came to a standstill and did not develop their production. This has been another reason why many people have felt impelled to look for equivalent foreign products—since the foreign products have developed, have changed, and have not stood still.

All of these reasons and others have been responsible for the fact that our citizens have developed a large appetite for foreign imported goods. This is what has been responsible for the fact that the "foreigner complex" still exists, even though foreigners no longer control Egypt or Egypt's economy.

All of this happened before the open-door policy came into effect. After the open-door policy came, radical changes occurred.

What happened with all the trade in the merchandise produced by the Western foreigners after the open-door policy began?

Unfortunately I must now take leave of you because I will be answering this question in an article next week.

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CSO: 4504/541

OPPOSITION, GOVERNMENT LABOR PRESS DEBATE HEALTH OF DOMESTIC UNIONS

Low Union Representation Deplored

Cairo AL-AHALI in Arabic 20 Jul 83 p 5

/Article by Ahmad Sharaf-al-Din/

/Text/ The labor union movement is in danger!

This is the bitter, distressing truth, which is no secret to anyone who follows matters and has eyes.

The labor union organizations are no longer organizations which defend the rights and interests of the workers. Rather, they have been transformed into "philanthropic societies" which are content to offer social assistance and appearances for the sake of conscience in various occasions. The dark, humiliating conditions whose burdens the workers are suffering from, in whose inferno the people are being burned, have not moved a hair of the heads of the leaders of these organizations.

When strikes were actually legal in Egypt, in accordance with an initial agreement, we heard nothing but the "silence of the grave" from the labor unions; it would have been better had they thrown the world into an uproar, so that the government would hasten to issue legislation regulating the exercise of this sacred union right.

Matters got worse. The Federation of Workers wants to become similar to the Israeli Federation of Workers (the Histadrut)--the worst thing it could do! It takes the workers' money and puts it in risky investment projects in participation with other companies and banks, toward the end of "making the unions capitalistic" and creating an economic situation distinguished by a labor aristocracy which wants to find a place for itself in these wretched times, the times of Camp David, liberalization, oppression, degeneration and humiliation.

The question here is, what has brought the labor union movement to this decrepit position, which gladdens neither "enemy" nor friend? How can one move away from it, toward another different formulation of the conditions in this movement?

That is what we are trying to unearth by raising the following three issues:

#### Independence of Union Organization

A union organization cannot express the will of the workers unless it is independent in confronting employers, authorities and parties, and unless its broad masses alone have authority over it, without interference from anyone outside, and refuse to receive orders or directives from employers, departments and agencies of the government, and unless it does not belong to any political party, even the party of the working class itself, since the role of parties must be confined to having personnel within the union organization, provided that the issue of confidence in those persons be left up to the masses of the workers alone.

To realize the independence of the union organization, it must be liberated from all forms of tutelage and interference, the most conspicuous of which are:

##### 1. Legislative tutelage:

The government still monopolizes the setting out of union legislation, without getting the view of the workers of their union organizations, although it is that legislation which determines the goals of the union organization, its organizational form, the conditions of being a union member and candidate, the rights and obligations of union members, its finances and different ways of dispensing them, oversight of its activities, means for setting out its bills and bylaws, and so forth.

All these matters, which concern the most specific affairs of this organization, are determined outside of the organization, in the corridors of power, by the force of legislation, as if the union was a "government department" whose affairs and course of work are organized by the government.

The issue starts here: the trade union organization, and nothing else besides, is what ought to make its own law and bylaws, provided that it content itself with the stipulation in the constitution on the principle of the freedom to form unions. It is not one of the government's powers to issue a law on labor unions; rather, its rights are restricted to issuing the laws it sees fit for determining the form and manner for regulating its own relations with these unions.

##### /2/ Administrative tutelage:

This type of tutelage takes three forms. The first is hegemony and control over the union movement by the Ministry of Labor through its participation and interference in setting out the bills for union organization, the supervision of union activities and finances, determination of the occupations and industries which a general union can comprise, setting forth the rules on full-time union activity, and other areas of competence which are at the core of the rights and powers of the union organization, which the organization must exercise without the help of anyone.

The second of these forms is the grant of power to the president, as stated in Law One for 1981, to issue bylaws for various labor organizations which belong

to the Federation of Workers, be they cultural, social, concerned with health or even recreation, and so forth!

The existence of bureaus to combat political ideas and bureaus on workers and unions in the office of the state security investigator (the leftovers of the political police) also fall within the category of administrative tutelage. Their entire preoccupation is to interfere in the affairs and activities of the unions and to spy on the union and on labor leaders, as well as to submit applications of protest against candidates to the socialist prosecutor.

### 3. Political tutelage:

This form of tutelage is realized through the approach of combining the two positions of chairman of the Federation of Workers and the minister of labor. Through this "deception," it is implied that a worker can become a minister, while the fact is that the goal of combining the two positions has always been to make the chairman of the Federation of Workers, as leader of the union organization, commit himself to the policies and directives of the cabinet of which he is a member, even if they conflict with the interests of the workers and the line the union movement is adopting.

We have not forgotten that the current federation chairman, in his capacity as minister in the government of Camp David, took part in a visit to Israel and a reception for representatives of the Histadrut (the Israeli federation of workers), which constitutes extreme contempt for the most basic national feelings permeating the Egyptian working class, and is to be considered a mark of disgrace on the whole history of the union movement.

The fact is that we do not find fault with the government for deeming the chairman of the Federation of Workers worthy of being a minister--provided that be on the condition that he immediately resign the position of the chairman of the federation and indeed membership in the entire organization.

If it is not proper for an employer or company manager to join labor unions, how is it permissible for the minister, who is the "employer of employers" and the "paramount sheikh of managers?"

### 4. The socialist prosecutor:

The matter came to a head when the socialist prosecutor and the court of values (one form of the exceptional judiciary) were granted the power to remove a worker politically and in union terms by preventing him from belonging to the boards of directors of companies, unions and all societies and leagues, and indeed imprisoning him if the situation warrants, for a period of 5 years, because of his union activity, even if he has prepared or participated in a strike to demand workers' rights or protested against government policies harmful to the interests of the working class, and other matters which could lie within the scope of threatening national unity and social peace in the manner intended by the laws of ill repute, foremost among them the laws on impropriety, protection of the domestic front, organization of the imposition of sequestration and the security of the people!



## The Issue of Democracy of Union Organization

The democracy of union organization is founded on three basic pillars:

First, the freedom of the individual worker to join a union and the freedom of groups of workers to form unions.

Second, the right of union members to choose, by themselves and in total freedom, union leaders to express their will and act on their behalf, without interference or pressure from any direction.

Third, the exercise by all members of the union organization of their responsibilities in all areas so that the general organizations will be masters of this organization.

Are these three basic pillars present in the labor union organizations?

The answer of course is no, and here are the details:

### A. The right to union membership:

Union democracy begins with the right of the individual worker to join a union voluntarily, without restrictions, exceptions or discrimination, and the right of groups of workers to form unions within any installation in which they work.

With regard to the right of workers to join a union, at the start we can set forth two observations:

First, membership in the union organization in Egypt is still extremely limited. According to some studies, it includes only 30 percent of the workers whom it basically ought to include. Even this limited membership is a token one (membership on the books), and has no influence or effect, since the workers did not join the unions in an active manner but through the method of registration in "health ledgers."

In addition, membership in unions in Egypt in reality is compulsory, as far as the government and the public sector go. As soon as a worker gets a job, union dues are deducted from salary by management, without his submitting an application to join the union and without anyone inviting him to join. This is in violation of the principles of union freedom which makes membership in unions optional and dependent on the desire and free will of the worker.

Second, most union members are workers in the public sector, although the private sector contains 60 percent of the workers of Egypt, and these are more deserving of union attention, since they are exposed to harsher and more barbaric conditions and exploitation by employers.

The serious aspect of the matter is that many classes of workers are still prevented from belonging to unions.

The current law on unions stipulates that workers below age 25 are not to join union organizations. They in fact represent thousands of workers in public sector workshops and plants, in textiles, shoe factories, and so on, and, even if the law has not settled their employment matters basically, it is natural that the protection and care of the union organization should be extended to them; it should not reject them and wash its hands of them.

Temporary workers cannot find a union that will accept them, although their number is in the thousands, not just in the private sector but also in the public sector, as if they were not workers like the others, exposed to exploitation and aspiring to an improvement in their standard of living. It would have been more worthwhile had the union organization not just taken the initiative to open its doors to them, but also demanded that temporary labor be eliminated in industries and activities of a permanent character, that is, tried to settle them in their jobs.

The law on unions deprives unemployed workers of union membership as well, although the union, as in all countries of the world, is the worker's agency for obtaining suitable work at a reasonable wage, and it is its duty to extend a caring hand to these wretched persons, and indeed pay until it can find them "unemployment assistance", a suitable job opportunity. The money is the workers' and they must benefit from it in times of duress.

On top of that, workers against whom sentences for felonies have been or are being handed down, on cases of opinions or peaceful protest in the form of strikes, congregation and demonstration, are prohibited from joining unions, and many of them are exposed to that because of their defense of workers' rights.

As regards the right of groups of workers to form unions, workers are prohibited from forming union committees within companies and banks established in accordance with the law on Arab and foreign investment, which just up to now come to more than 1,000 projects in number. This is in violation of international agreements regarding union freedoms and indeed the Egyptian constitution itself, which guarantees the right to form unions without looking at the nationality of the establishment or the legal statutes to which it is subject. There is no doubt that Egyptian workers are more worthy of care than foreign capitalists and vagabonds.

#### The Right To Run for Election

There are many, many restrictions on the right to run for election.

The first of these restrictions keeps more than 53 percent of Egypt's workers from running for election in the union organization. This is the percentage of "illiterates" among Egyptian workers. The law prevents "illiterate" workers from running for election even at the union committee level.

This critical illiteracy rate remains as evidence of what successive governments have perpetrated against the working class by depriving it of the most minor human rights, the right to read and write, and it also remains evidence to condemn the union organization itself, which has been silent about this crime and has concealed it.

The discrepancy is a sorrowful one. The law deprives workers who do not know how to read and write of the right to run in elections. If a worker seeks to increase his knowledge, obtains an intermediate degree and joins an occupational union (the union of applied artists, for instance), the law puts restrictions on his right to run in elections. These workers (people with diplomas in industry, trade and agriculture) account for just 20 percent of the membership of boards of directors of union organizations at all levels.

We do not know what their sin is, since membership in occupational unions has been imposed on them. This perverse restriction also leads to fragmentation of working class unity within single installations among ordinary workers and occupational workers, and prevents the working class from having the most advanced personnel, and that which is the most able to acquire knowledge, assume the leadership of its union movement.

How can this be the case, when scientific and technological progress demand greater and greater reliance on qualified classes of workers, and unions in various countries of the world are orienting themselves toward the establishment of workers' universities in order to graduate labor leaders who are better educated and have a greater awareness of advanced technical knowledge?

The most blatant restriction on the right to run for office is the socialist prosecutor's objection to candidates in accordance with investigations and reports by security agencies. The most important justifications for eliminating candidates from past union elections were "embracing workers' demands," "belonging to the Grouping Party," and "embracing marxist ideas," which were in violation of the provisions of the constitution regarding freedom of thought and opinion, of the organization of numerous parties, and union freedom.

#### The General Assembly

Although the law explicitly stipulates that each union committee is to have a "general assembly," comprising all the workers participating in the union organization in the installation, and that this assembly is to meet at least once a year to discuss and investigate the workers' cares and problems:

Nonetheless, the general assemblies have been meeting only once every 4 years, to elect union committees, and every attempt to hold general assemblies has been faced down by the security agencies and management, and indeed the general unions as well. Everyone is afraid of workers' meetings, because they will open the workers' eyes to their rights and interests.

The law itself, which includes the stipulation of the general assembly, has turned around and usurped its original powers, such as setting out bills for bylaws and financial bills, accepting or rejecting the enrollment of new members (membership by dues), suspending and terminating members, determining the different aspects of budget disbursements, and overseeing the committee's activities and finances, since these areas of competence have been put in the hands of the minister of labor and the boards of directors of higher union organizations.



This situation must be removed and never reinstated. Every union organization member must exercise the duties of the members of the general assembly, and his role must not be restricted to running for office or electing others. Indeed, he must participate effectively, through the general assembly, in drawing up the policy and plans of the union committee, setting out its bills, electing its leaders, withdrawing confidence from them, and so forth. The general assembly alone must have full jurisdiction over its union organization.

#### The Issue of the Organizational Structure of the Union Movement

It is well known that the union organization consists of three levels, the union committee, the general union and the General Federation of Unions. Each level has its own system of organization and its own powers. However, this organizational structure, as stated in the law on unions, obstructs the union movement from playing its part and makes it possible for its money to be squandered in ways that are not in the interests of the workers. Herewith is a description of that:

#### The Union Committee

The structure of the union movement is based on a fundamental error, since its basis is still the general union, and the union committee members are considered just mere delegates of the general union working under its supervision and control.

The serious thing is that legislation was issued in 1981 which made amendments to 32 articles of Law 35 for 1976 on unions. These amendments had the objective of eliminating the legal personality of the union committee and transforming that into mere "decor," a formal organization which had no power and no effect. Union membership no longer lay in the union committee--rather, it lay in the general union, obliterating its direct representation of workers. The organization was also compelled to provide 90 percent of the workers' dues to the general union and 10 percent to the General Federation, as if there was absolutely no union committee at all.

The union committee can no longer directly conclude a collective agreement with installations to settle workers' conflicts with them, now can it conclude joint labor agreements, prepare projects for scholarship and savings funds, cooperative consumer societies, sporting clubs and summer vacation sites, allow members to work full time in union work, or approve the bills of its bylaws. The general union alone has started to exercise these powers, or impose the condition that it agreed to then.

That means that the union committee can no longer do anything on behalf of the workers. It is committed to carry out the programs the general union approves and present reports on activities to it.

The general unions have started suspending members of the board of union committees from engaging in their activities and indeed withdrawing confidence from them; this all essentially lies within the jurisdiction of the general society of the union committee alone.

Modifying this perverse situation must start with the raising of the slogan "all power to the union committee," in the sense that it must be the basis of union organization and the center of its effectiveness.

#### The General Union

The law imposes membership in the general union on the union committees, though these committees do not have the right to withdraw and form other general unions if the original general union adopts policies or positions against the will and interests of the workers. To bring the issue out of the theoretical framework, it recently happened that the General Union of Postal, Telegraph and Telephone Workers joined the Free Workers' Federation, which is dominated by American intelligence. The union committees of postal workers could only reject that, and demand to withdraw from the general union and form another general union of their own. That once again raises the issue of the proliferation of union centers, that is, the right of union committees to join or withdraw from the general union and form other general unions among themselves, in addition to the right to form union committees and worker federations.

#### The Federations of Industrial Areas

Since there are industrial areas that contain large groups of workers (Hilwan, Shubra al-Khaymah, Kafr al-Dawwar and so forth), it is necessary to form and spread about labor federations in these areas to coordinate and consolidate the activities of the union committees they include, strengthen relations of solidarity among their workers and investigate their problems and common interests (housing for workers in the industrial area, nurseries, hospitals, clubs, movie theaters, libraries and so forth).

#### The Conference of Union Delegates

The law allows the union committee to appoint general assembly members to be delegates of the sections, blocks and branches of the organization, so that they can be the link between them and the workers, provided that they have the power to remove union delegates if they violate instructions or go beyond areas of jurisdiction, or if "circumstances so require!"

This is an attempt to outflank an essential workers' demand and strip it of its substance. The union delegates, in the view of the workers, are the focal point of emphasis of the union organization. Therefore, they must be introduced into all installations in general so that they will not be a discretionary matter for the union, on condition that the delegates be elected and removed by the general assembly, and not appointed or removed by the union committee.

#### Official Labor Paper Responds

Cairo AL-'UMMAL in Arabic 1 Aug 83 p 3

/Text/ In issue 93 of 30 July 1983, AL-AHALI newspaper, which is issued by the National Progressive Unionist Grouping Party, published an article titled "The

Labor Union Movement in Danger," containing a group of mistakes and errors which do not represent the actual state of the Egyptian labor union movement but indeed discuss it in a defamatory, distorted, fraudulent manner.

Examining this style, which has paid no attention to the obligation of the word and has not respected the responsibility of political writing and realistic scientific analysis, the writer, in the preface to the article, impetuously states that the labor union movement is in danger and that the labor union organizations are no longer organizations that defend workers' rights and interests but rather have been turned into philanthropic societies which content themselves with offering social aid and contributions for the sake of conscience on certain occasions.

Proceeding from its belief in the need to defend the Egyptian labor union movement and protect it from distortions, the revenge of the vindictive, and desperate competition from auctioneers who adopt political writing as a slogan in which they can conceal their suspicious designs, the Egyptian General Federation of Workers' Unions will, in an objective discussion, deal with the contents of this article, in which its writer exaggerated the actual state of the union movement now and the role it plays in the international environment, in its capacity as the deepest, strongest union movement in Africa and the Arab nation and a free national movement which has derived a democratic bastion from the history of its long struggle since the early part of this century as a source which lays bare the designs of prejudiced persons who are trying to detract from it and distort the struggle of the union leaders who bear the responsibility of union leadership and of protecting and defending the union from the greed and designs of excessive party competition with honesty and honor.

The writer, in his article, has analyzed the conditions of the Egyptian union movement from the standpoint of the legislative provisions which govern its organization and from the standpoint of its actual practical situation. While a person reading the article will discover, at the first moment, that many ideas or conclusions the writer came up with in his article were caused by a lack of understanding or adequate grasp of the provisions of the law on unions and the activities of the Egyptian movement, one can excuse the writer from ill will. The union movement will summarize its response to the contents of the article in the following points.

1. The writer said that the government is still, to this point, monopolizing the codification of the law on unions, ignoring that it was the union movement that set out the first draft of the current law on unions, Law 35 for 1976, and that it was its representatives who contributed to the discussion of the draft in the specialized committees in the People's Assembly. That is underlined by the contents of the minutes of the joint committee of the Manpower Committee and the Legislative Committee of the People's Assembly during the discussion of the draft.

When, after this law actually went into effect, it appeared to the union movement that it had some loopholes, the union movement also prepared a draft amending this law, which one of the worker members of the People's Assembly presented to the People's Assembly, and the union movement monitored the draft amendment until it issued Law One for 1981.

Article 17 of this law requires that the view of the General Federation of Workers' Unions be taken on any draft related to labor and workers. It requires that its view be taken on drafts of economic and social development plans.

Article 14 also requires that the view of the general union be taken on all legislation that affects an occupation or industry.

2. Regarding the writer's allegation that there is administrative tutelage, dominance and control by the Ministry of Labor over the union movement, the writer, in order to see the error of his statement, could have contented himself with reading the amendments made by Law 35 for 1976 and after that Law One for 1981. He compares the provisions on the unions which appear in them with those which had been organized by Chapter Four of the labor law and the legislation on unions which preceded that.

For example, Law One for 1981 abrogated a number of provisions which were contained in Law 35 for 1976 on rules and procedures for forming union organizations and assigned the General Federation of Workers' Unions to set out these rules and procedures, which were in fact issued by the federation's Decree 11 for 1981.

In addition, this law gave the federation the right to amend the table of union classifications in a manner in keeping with the development of the union movement, and its interests, without referring to any administrative body. (Article 13, amended).

According to the provisions of the same law, no decrees carrying out the law will be issued without the agreement of the General Federation of Workers' Unions.

The bills of the bylaws and financial laws, according to the provisions of the law, are set out by the general federation, and no administrative body has (illegible) over the activities of the union organization; rather, the general unions are independent in their oversight with respect to union committees, as is the general federation with respect to all union organizations. In the past, the administrative body engaged in financial oversight, but, in accordance with the provisions of Article 65, it has now become a dual oversight in which the union organizations take part, with respect to the organizations below them.

3. The strangest thing in the article is the writer's discussion of political tutelage over the union movement. Although the firm policy of the Egyptian union movement, which the general assembly resolutions of the General Federation of Workers' Unions have declared, is that the union movement is independent of all political parties, though the writer sees, in the fact that the union movement does not follow a specific policy which he supports, the embodiment of subjection to another political identity, it is absolutely preposterous that the Egyptian union movement should be enticed into party struggles which will not yield benefit to the working class, whose interests are considered to be the prime mover and basic goal of the Egyptian union movement.

If the writer wants to intimate that relations exist between the Egyptian union movement and the Israeli union movement, or that there are affiliations with



various orientations of the international union movement, he missed the point that the general assembly of the General Federation of Workers' Unions had repeatedly declared its opinion not to affiliate itself with any international labor federation in either of the two camps, and not to normalize relations with the Histadrut.

4. The Egyptian union movement is the only body that has expressed its opinion in a practical manner on the presentation of names of candidates to the socialist prosecutor. The union movement prepared the draft of a law abrogating the presentation of candidates' names to the socialist prosecutor, and a union member presented it to the People's Assembly. That was in response to the recommendation of the federation's general assembly at its latest session.

5. With respect to the issue of union organization and union freedom, the article stated that union membership in the government and public sectors is almost compulsory and is carried out on the books. It is enough, to deal with this slanderous statement, to point out that the level of awareness among workers in these two sectors is too high for membership in the union organization to be dictated to them; their enlistment has occurred only through confidence and conviction in what the union movement has offered and is offering the workers, which is a lot; in particular, this is embodied in numerous items of legislation which have guaranteed the workers many rights, in terms of the constant raise in the level of wages, matters related to promotions and bonuses, and other benefits.

As regards the classes of workers which the writer said have been deprived of the right of union organization, a number of whom are apprentices below 15, temporary workers, unemployed persons and persons who have been convicted of a felony, the writer has missed the truth; temporary workers have every right to join in union membership, and this right is not subject to any dispute. In addition, the law has created a special stipulation on unemployed workers, the stipulation of Article 23, which permits them to continue to enjoy membership even if they are unemployed, and the bills of the bylaws in all unions stipulate that unemployed workers are to be given assistance during the unemployment period.

While the law stipulates a minimum age of 15 for membership in the union organization, the obvious purpose in that is the finding made by the legislators and the union movement, that 15 should be the minimum age for bearing the responsibilities and burdens of union activity.

As for people who have been sentenced for felonies or crimes detrimental to honor or trust, we do not believe that any sound-thinking person could consider that such people should enjoy union membership.

6. With respect to the statement the writer made regarding the proliferation of labor unions and the proliferation of union committees in single installations, that recommendation will without a doubt result in fragmentation of the Egyptian union movement and afflict it in one of its sources of strength, which is its union and its refusal to engage in party politics or spread out into warring branches. The general assemblies of union organizations have settled this position of principle by adhering to unity. We might point out that the principle

of the unity of union organization is in effect and has been settled on in all the countries of Eastern Europe and most Arab and African countries; it is in keeping with the actual state and circumstances of developing countries and prevents the polarization of domestic labor union movements by international labor federations.

7. As regards the status of union committees, such as the branches of general unions, that is a logical condition which is in keeping with the principle of industrial unionism based on the representation of workers by a united platform which the union movement follows in the context of each industry as a whole, to preserve economic /word missing/ or activity. That means that a stage of development is beginning to appear which is advanced beyond that of installation unionism, which led to fragmentation of the union movement in industry in confrontation with the strong, united organization of industry employers.

The writer wants to bring the union movement back to the weak state it was in during the sovereignty of the principle of the installation, which is what prompted the general federation conference held in January 1959 to call for the establishment of union organizations based on industry or professional unions throughout the republic.

8. As regards people holding intermediate technical credentials (industrial, commercial and agricultural diplomas), and the article's statement that the law determines their right to union membership, that entails an obvious error: union membership is open to everyone who holds intermediate and higher university credentials, and indeed credentials above those. The union movement has been concerned to protect itself from dual loyalty between itself and the occupational unions, whose establishment has been expanded and whose membership has extended to government and public sector employees, although the basis of these unions is that they are scientific societies including people who pursue liberal professions for their own account, and not employees of the government or the public and private sectors.

Therefore Article 38 of the law on unions stipulates that no more than 20 percent of the total number of members of the board of directors of the union organization can also have working membership in an occupational union, unless the majority of the members of the union organization belong to occupational unions.

From this stipulation, it is apparent that ordinary membership is wholly open to people with various credentials, whether or not they are affiliated with vocational unions.

It should be noted that the writer of the article has succumbed to another inconsistency. While he defends the right of people holding intermediate credentials to belong to labor union organizations--which we support and encourage--stating, in these words, "scientific and technical progress demand greater and greater reliance on qualified classes of workers," he deplores the fact that the union movement stipulates proficiency in reading and writing for candidates for boards of directors, stating that this is a sorrowful discrepancy.

While the writer, out of his belief that he was presenting new information, pointed out that unions in various countries of the world are tending to establish workers' universities, we tell him that he ought to know that the Egyptian labor union movement has been ahead of many union movements in the world, and has been unique among the union movements in Arab and African countries, by actually establishing a labor university, in Madinat Nasr, consisting of two faculties and seven specialized labor institutes, in addition to numerous cultural centers belonging to the Labor Cultural Institute throughout the republic, whose number comes to 52.

Though the writer believes that the issuance of republican decrees organizing institutions belonging to the General Federation represents an interference in the affairs of the union movement, we tell him that the newly created Article 17 in Law One for 1981, which permits the General Federation of Workers' Unions to establish organizations with a legal personality, permits them to be exempt from some restrictions contained in existing laws and grants them suitable financial privileges. The issuance of a republican decree after the opinion of the General Federation on these exemptions and privileges does not by any manner of thinking constitute interference in the affairs of the Egyptian union movement, but is dictated, rather, by legal and constitutional legitimacy.

9. People working in Arab and foreign capital investment companies are not different from other persons working in other installations, and they have absolute freedom to form union committees. No provisions appear in any law preventing them or limiting their freedom to do so. Thus the situation is the opposite of what was stated in the article.

10. Union dues are distributed on the basis of specific shares between the general union and the union committees, fundamentally, as the law shows in Article 62, as determined by the financial bill of the union organizations. The shares are determined in a manner which will guarantee that the union committees can engage in their activities. General unions can perform services and joint projects for members throughout the republic. The 10 percent share allocated to the General Federation is to enable it to perform its duty in the general nationwide context.

Finally, the statement made regarding combining the positions of minister and the chairman of the General Federation of Workers' Unions: this issue has been resolved in the union and judiciary contexts. The general assembly of the General Federation has supported this combining of positions, out of its appreciation that having one of its people in a ministerial position will make it easier for the union movement to have its voice heard clearly and directly by officials in political authority.

This has also been resolved by the judiciary. In a lengthy ruling, in Case 623 for 1978, the court of first instance of north Cairo, fourth circuit, stated that union organizations in certain countries often see fit that, to have an exchange of views and link government and union programs, there should be union leaders who at the same time occupy government positions, and the recent labor union trends on which Law 35 for 1976 was founded give union organizations total independence in running their affairs without interference from the government. On this matter, one should as a consequence refer to the bill of the General Federation's bylaws.

11887

CSO: 4504/530

## ABOLITION OF TRADITIONAL ARMY RATIONALIZED

Tripoli AL-ZAHAF AL-AKH DAR in English 10 Sep 83 p 16

[Text]

DOES THE armed people mean the abolition of the army in its traditional sense? And how can the armed people use strategic weapons: planes, navy, intercontinental missiles and so on?

ANSWER: There is no doubt that the armed people will replace the traditional military establishment and the armed people will undertake all the tasks performed by armies and there will be no problems. The people will be trained according to their educational qualifications on all kinds of weapons and will in turn carry out tasks like guarding. Part of it will remain under arms permanently, and in the future, radar stations, missiles, operation rooms and so on will be operated by the armed people and specialist individuals from among the people. We have carried out numerous experiments and these have proved to be successful in this context. An army like this cannot be defeated. With the existence of the armed people, either the people are exterminated or it is victorious, and it is impossible to exterminate a whole people.

The traditional armies are based on a reactionary idea. Thus when the army surrenders, or its striking forces are destroyed, or loses a battle, then the whole country surrenders and falls in the hands of the enemy.

This is a strange situation, but when the whole people are in the battle, the situation is different. So why should we make victory dependent on a group, which if it is defeated, the whole country is defeated?

The experiment of the armed people is an important one which frightens all governments, and cannot be undertaken under governments which rule over their people. In order to carry it out, the people must possess their direct authority, and when the people rule themselves, they will surely arm themselves.

Thus there is no place for an armed people in a country dominated by fake democracy, because the government will ensure that arms are in its hands alone and not in the hands of the people, and will oppress it through its military formations and groupings.



## TUNISIA

### REPORTAGE ON TRIAL OF ISLAMIC LIBERATION PARTY MEMBERS

#### Prison Sentences Two to Eight Years

Tunis LE TEMPS in French 26 Aug 83 pp 3, 4

[Article by Hafezh Baccar and Taha Jelassi: "Members of Islamic Liberation Party Face Military Tribunal"]

[Text] The trial of members of the Islamic Liberation Party (PLI) opened yesterday morning before the permanent Military Tribunal of Tunis. The 30 accused appeared in court with the exception of Tahar Ayadi, who is a fugitive.

Nineteen of the accused are members of the Army and are therefore subject to military law, a fact which, moreover, explains the remanding of this case to a military tribunal, not a regular court. These soldiers are being charged under Articles 128, 129 and 130 of the Code of Military Procedure and Penalties which governs membership in an association political in nature, participation in its meetings and assisting in its formation.

As for the 11 civilians implicated in the affair, they have been remanded for urging soldiers to join a political party.

To place the matter in its proper context, let us first bear in mind that it concerns the PLI, founded in the East in 1952 with the chief objective of restoring the Islamic Caliphate by going through three fundamental phases. First, the supporters of this party start with secret actions in order to assemble the necessary number of members. Then they plan to come out into the open to reach the general public. It is in the third phase that they advocate the seizure of power.

#### Origins

This plan can be found in the works of this party's theoreticians, the most impressive of whom is Taqi-al-Din al-Mabhani.

This party has emigrated to Europe, essentially Germany, where its first members have more room to maneuver since they do not have to fear national repression from Jordan, Egypt and Syria where the party came into being. And it was in Germany that Fadehl Chtara, one of the founders of the party in Tunisia, became familiar with the movement and swore the oath of loyalty to it. Then he

interested Mohamed Jerbi in the movement in Tunisia and urged him to travel in Germany to better familiarize himself with the party's ideology.

Every new member must swear an oath of loyalty worded as follows (translation): "I swear by God to be an honest guardian of Islam, to adopt the opinions of the PLI and its charter, to have confidence in its leaders and to carry out its decisions even in the event they are contrary to my own opinions, to provide all my efforts to realize its objective for as long as I am a member of it. As God is my witness."

In 1975 Mohamed Jerbi left for Germany where he made the acquaintance of Dr Tawfik Mustafa, one of the party's most important figures and of Jordanian origin. Jerbi took the oath. As soon as he returned, he began to be active in recruiting members. In 1978 "a temporary local party committee" was formed and correspondence from abroad began to reach the committee to coordinate its actions. At the same time the number of followers who had taken the oath increased, their essential characteristic being that most of them were soldiers.

In January 1983 a founding meeting was held in Tunisia to definitively form the "local committee of the party," one of its basic forums for "departmental" action. Tawfik Mustafa participated in that meeting, as a result of which Jerbi was appointed to head the committee and Bennis, Medini, Boulehya and Habib to head the instruction groups.

It was right after that meeting that the police got wind of the affair and instituted investigations that led to yesterday's hearing before Mr Habib Trimeche, a military magistrate who charged the suspects under the following provisions of the law:

Article 128: "Punishable with from 6 months to 3 years of prison is:

- a) any soldier who belongs to a society or association having a political goal,
- b) any soldier who participates in a meeting or public demonstration having a political goal,
- c) any soldier who publishes articles or delivers speeches of a political nature.

"If the guilty party is an officer, he will in addition be discharged."

Article 129: "Any soldier who aids in the formation of a party, society or association having a political goal is punishable with from 2 to 5 years of prison.

"If the guilty party is an officer, he will in addition be discharged."

Article 130: "Any civilian or soldier who induces a soldier to join a party, society or association having a political goal, even if the inducement does not produce the desired effect, is punishable with imprisonment of 6 months to 2 years."

The trial opened in the courtroom of the military tribunal which has its offices in the Ministry of National Defense. The room was so small that it could not hold the large number of representatives of the public authorized to attend: lawyers, newspaper reporters, etc.

The president of the tribunal, Mr Abdellatif El Karoui, went ahead and called on the accused to step forward for questioning by the court. But before starting that phase of the trial, several lawyers for the defense, among them attorneys El Bahi, Hila and Ben Nasr, intervened to present their preliminary requests concerning postponement of the trial to a later date so that the defense could sufficiently familiarize itself with the elements of the case since several of the lawyers had recently been entrusted with the case and others had only had a chance to examine the writ of closure of examination. Attorney Hila requested time to examine the books, reviews, leaflets, etc. that constitute the evidence of the violations the accused are charged with. Attorney El Bahi requested that a doctor be appointed to examine his client before conducting the trial. Other defense lawyers requested the court to declare the release of their clients first.

The president consulted with Colonel Bouaziz who is representing the Public Prosecutor's Office during the trial and who objected to attorney Hila's request, leaving the tribunal freedom of choice with regard to the other requests. Following that, the tribunal suspended the hearing to consider these requests.

When court was reconvened, the president announced that the trial would not be postponed to a later date. The defense lawyers felt that this was a serious infringement on the rights of the defense and decided to withdraw. They left the courtroom with the exception of attorney Boudali who decided to defend his client.

The lawyers who withdrew from the trial in protest against the tribunal's decision drew up two statements which we may read following this article.

#### The Accused

The tribunal then proceeded to the questioning of the accused one by one. We list them below:

Mohamed Bouazazi, 31, lieutenant  
Mouldi Trabelsi, 32, second lieutenant  
Ridha Belhaj Hassan, 32, sergeant  
Abdelkrim El Ayari, 28, sergeant  
Ameur El Othmani, 25, sergeant  
Habib Bouaffif, 28, sergeant  
Abdallah Amiri, 27, first sergeant  
Abdelhafidh Toukabri, 25, sergeant  
Habib Ben Ameur, 26, first sergeant  
Bechir Baba, 31, first sergeant  
Nasser El Mili, 27, first sergeant  
Bechir El Amri, 27, first sergeant  
Salah Cherif, 30, captain  
Mohieddine Arfa, 24, sergeant

Hedi Ben Romdhane Rzeigui, 24, sergeant  
Mohamed Klai, 27, sergeant  
Othman Ben Khemiri, 24, corporal  
Abderrahmane Ben Khelifa, 23, sergeant.

The 18 accused are soldiers who were questioned in accordance with this order issued by the president of the tribunal.

The civilians involved in this affair are:

Mohamed Ben Mohamed Jerbi  
Arbi Bennis  
Sadok Ben Mahmoud Zari  
Abdelmajid Habibi  
Kamel Boulahia  
Moncef Bougaleb  
Hechmi Ben Salah Ferjani  
Mohamed Fadhel Chtara  
Mohamed Lahbib Madini  
Raouf Anri  
Mohamed Lamine Boumaya.

The accused will have to answer to three violations, to wit: the formation of a political party, participation in political activities and the inducement of soldiers to join in such activities.

The way in which all the accused became members was often the same. It involved a contact with one of the civilians working for the movement who then explained the party's objective to the soldier and introduced him to one of the leaders of the groups for the training and instruction of members in the precepts of Islam and FLI theory. If the soldier adopts these principles, he is instructed in some of the works of Taqi-al-Din al-Nabhani, the most important of which are "The Islamic Order," "Grouping Within the Party" and "The Social System."

It is then that he is allowed to take the oath as noted above. The soldier thus committed in turn seeks out other soldiers who are introduced to one of the civilian leaders and follow the same process.

Those who were examined by the court declared that they had joined this party largely without realizing that political activities were really involved, the long-term goal of which is to restore the Caliphate. They stated that they were committed to the chief, if not sole, objective of better learning the doctrine of Islam and becoming more familiar with its dogmas and principles. But there are those, like Othmani, Ayari, El Mili and Trabelsi, who maintained that they did not take the oath. Others declared that at first they joined the movement, but that they resigned from it as soon as they realized that it has political objectives and is engaged in political activities. This is what Capt Salah Cherif and Khemiri, Klai and Ben Khelifa asserted.



After examining the soldiers, the president started to question the civilians, beginning with Mohamed Jerbi. Married and 36 years of age, the accused declared that, after his return from Germany in 1975, he entered into relations with Bennis, Boulehya and Zeri, who adopted the movement's principles, and that he began to receive mail from Germany at three addresses under false names. He also admitted that he had gone to Monastir to contact two members whom he did not know and whose names were supplied him by leaders residing abroad. Then, while acknowledging the way the party, which is divided into three committees: the Central Committee, Local Committees and Coordinating and Administrative Committee, is organized, Jerbi explained to the tribunal that all his activities and all the actions of the party represent nothing more than a labor of religious instruction and doctrinal grouping about the principles of Islam. "The issue is a matter of interpretation," the accused added. "What you regard as a violation we view as obedience to the precepts of religion and an appeal by the Prophet to consolidate our ranks and arouse the interest of our brothers, the Moslems."

As for the large number of soldiers in the party, Jerbi explained that as a coincidence, rejecting the notion of any plan or objective of a political or strategic nature.

Then it was Mohamed Lahbib Madini's turn, who admitted his membership in the party. His membership was promoted by Chtara, who instructed him in the works of Nabhani.

The accused declared that Chtara's ideas were healthy and sensible and that they are in keeping with what is expressed in the Koran. As a Moslem, the accused finds it natural that he should think of the Caliphate as the sole solution for all Moslems.

The president: "Anouar?" (not mentioned in the brief)

The accused: "I don't know him and I've never urged or influenced anyone to join the party."

Raouf Ben Mohamed Amri followed Madini and he stated that he knew a certain number of people at the Bassatines Mosque with whom he had discussed general issues and Islamic topics.

The president: "You conversed with whom?"

The accused: "Chiefly with Mongi Abidi (not mentioned in the brief), who instructed me in the ideas relating to Islam; then Mohamed Chabbi (not mentioned in the brief) relieved him in my instruction."

The president: "And the Soldiers?"

The accused: "I didn't know that they were soldiers. I always used to meet them when they were dressed in civilian clothes. I used to converse with them as I did with any Moslem."



Then it was Mohamed Boumaya's turn, when the president asked to explain how he influenced Mohamed Lashar Rifaai to join the party. The accused denied that he had and stated that he had studied three books by Nabhani whose ideas seemed to him to be authentically Islamic.

The president: "You were thrown out of the party because of an affair involving the theft of a passport."

The accused: "That's not true. I left it of my own free will."

The president then yielded the floor to the advocate general representing the military tribunal, who specifically stated:

"These accused are appearing before you for the crimes specified and censured by Articles 128, 129 and 130 of the Military Justice Code. These crimes are membership in a party, association or group having a political goal, attending meetings of the same, participation in the creation of such an association and inviting soldiers to join a political party. The matter is clearcut, a crime has been committed and you have backed up the material evidence of the existence of the crime by specifying the goals and methods planned and employed by the accused.

"It is not necessary to explain how Mohamed Chtara got to know the other accused, mainly Mohamed Jerbi and Arbi Bennis. Chtara was sent abroad by the government to pursue his studies and he returned to the land of his birth with ideas that in no way serve the interests of the state.

"Jerbi went to Cologne especially to swear his loyalty to the party which at the time it was created without a doubt served the Islamic cause since in 1952 most Islamic states were dominated by colonialism. Religion was the palpable means through which there was a chance of galvanizing people into working for liberation.

"But, even after these states have obtained their independence, there are some people who, by distorting the content of Nabhani's works, have found a way to revive this party and speak of liberation as liberation of the soul, not liberation from colonialism. These persons are thus trying to destroy the legitimate institutions of the people; they convey political ideas and can only harm the public interest. These past few months we have seen arrests take place in Tunisia, Egypt and Libya of these individuals who exploit Islam, a sensitive area for every Moslem, to drag people into the abyss and lead them to believe that, in rebelling and agreeing to a coup d'etat, they are only defending the cause of Islam.

"This is what the civilians who have appeared before us had in mind. The problem as to whether they may have created this party or not does not concern us except through the incriminating deeds they have been charged with, which have to do with the urging of soldiers to participate in a political party.

"As for the soldiers, the person chiefly responsible in this affair is Mohamed Bouazizi, who became familiar with this party's ideology in Greece while he

was pursuing his studies at the expense of the government. When he returned to this country, he began to inculcate other soldiers who were at the same base he was with this ideology.

"The proof of the soldiers' membership in this party is certain. They themselves admit the incriminating facts and some of them even took a loyalty oath which is at odds with the military oath they had already taken when they chose their military profession.

"Tunisian lawmakers have forbidden any soldier to join any political party whatsoever. They have even been forbidden to participate in its meetings.

"On joining the Army, every soldier accepts this ban, even if it limits the freedoms he would enjoy as a civilian, in the public interest of course.

"Soldiers have access to dangerous means; they can use the weapons and ammunition made available to them to engage in a coup d'etat, one which will be rapidly followed by another. And then another. We have examples of this in some African countries where their institutions are constantly troubled by coups d'etat and which cannot, therefore, progress and develop.

"Prayer is authorized. There is a mosque in every barracks. Islam is our religion, but those who want to distort its goals and prejudice our institutions and the public interest in order to gain power and jeopardize 27 years of progress for our well-being and development, must be punished."

The floor was then yielded to attorney Boudali, the only defense lawyer who stayed on for the hearing. He tried to minimize the importance of the acts committed by his client, Othmani.

The tribunal then retired to deliberate.

After concluding its deliberations, the Military Tribunal of Tunis imposed the following penalties on the accused:

Eight years of prison for:

Mohamed Bouazizi  
Ridha Belhaj Hassan  
Habib Bouaffif  
Abdallah Amiri  
Habib Ben Aneur  
Bechir Baba  
Salah Cherif  
Tahar Ayadi

Five years of prison for:

Mouldi Trabelsi  
Abdelkarim El Ayari  
Aneur El Othmani

Bechir El Ameri  
Mohieddine Arfa  
Nasser El Milli  
Abderrahmane Ben Khelifa  
Mohamed Klai  
Hedi Rzaigui  
Abdelhafidh Toukabri  
Othmane Khemiri

**Two Years of prison for each of the civilians.**

Communique From ATJA

Tunis LE TEMPS in French 26 Aug 83 p 4

[Editorial by Abdelwahab Bahi]

[Text] Having attended the trial of the case involving the PLI that was prosecuted before the military tribunal on 25 August 1983, the Tunisian Association of Young Lawyers (ATJA) attests to the fact that:

**In view of the defense lawyers' request for a continuation in order to examine the brief, in view of the position of the advocate general, who did not oppose this request, and in view of the tribunal's decision to deny said request:**

**The association:**

- 1. Is of the opinion that the tribunal's position constitutes a flagrant violation of the rights of the defense and a violation of the fundamental guarantees granted the accused;**
- 2. Registers its regret with regard to this dangerous practice which has repeated itself for the second time in the course of the same year.**

**Signed:**

**Abdelwahab Bahi  
President of the Association**

Lawyers Abandon Defense

Tunis LE TEMPS in French 26 Aug 83 p 4

[Text] We have received a press communique from the lawyers for the defense in the PLI case.

**This communique was drafted and signed in the law library located in the Tunis Municipal Court Building by 21 lawyers who walked out of the hearing held by the military tribunal as a protest against the tribunal's decision not to postpone the trial until a later date. We now publish this communique:**

**"We, the undersigned, the lawyers for the defense in Case No 34200, submitted to the Military Tribunal of Tunis against a group accused of belonging to the PLI, a matter which the military tribunal had to take cognizance of during a hearing held on 25 August 1983, advise the public of the nation and the world of the following facts:**

"Right from the start of the trial, the lawyers for the defense introduced a certain number of formal remarks concerning:

"A. The postponement of the case for a reasonable period of time which would permit the defense and primarily those lawyers who recently announced they would defend the accused to examine the brief on the case to enable them to guarantee the defense of their clients under the best possible conditions.

"B. The granting of permission to the defense to examine the books seized in connection with this case and the consideration of same as documents attached to the brief.

"C. The drawing up of a medical report to ascertain what maltreatment those who were arrested underwent.

"D. Granting the accused a temporary release.

"But, despite the fact that the advocate general representing the military tribunal did not oppose a continuation, the tribunal denied all the requests of the defense lawyers.

"The defense is of the opinion that this position by the tribunal, primarily with respect to the postponement of the case, makes it impossible for it to appropriately defend the accused.

"In view of these facts, the lawyers for the defense decided to leave the hearing so that their presence would not serve as an alibi and might not be purely formal in essence, which would have been of no use for the accused.

"The lawyers for the defense are astounded at this position of denial adopted by the tribunal and consider it to be a flouting of the right to defend oneself, a violation of the constitutional rights of lawyers on whom judgment has been passed without any real defense [having been permitted]."

Signed by these attorneys:

1. Said Nasser Romdhane
2. Mohamed Ben Nasser
3. Kilaal
4. Belgacem Khemais
5. Abdelrahman Heni
6. Abdelwahb Bakir
7. Hedi Abassi
8. Abdelrahman Hila
9. Faical Khelifi
10. Badallah Taboubi
11. Hassen Ghodhbani
12. Abdelouahab Daoudi
13. Ezzedine Pradi
14. Pathi Abid
15. Omar Hadj Khelifa

16. Ali Garselli
17. Abdelhamid Shili
18. Salah Cherif
19. Bechir Essid
20. Mohamed Ennouri
21. Bouchra Belhaj Hamida

11466

CSO: 4519/323

VARIOUS PROJECTS COMPLETED IN MAYSAN ON ANNIVERSARY OF REVOLUTION

Baghdad AL-THAWRAH in Arabic 16 Jul 83 p 8

[Articles: "The Inauguration of a Number of Housing and Service Projects in Maysan"]

[Text] On the occasion of the glorious July holidays, the Governorate of Maysan is witnessing the inauguration of a number of service, athletic and recreational projects.

Mr Ghazi Hammud Husayn, the governor of Maysan, declared to AL-JUMHURIYAH that foremost among these projects is the inauguration of the international sports field, which has a seating capacity of 25,000, and the al-'Imarah sewer project, which will offer services to the areas of al-Sina'ah, 'Awwashah, Hayy al-Husayn, al-Sabunjiyah and al-Jadidah, in addition to the Nasr park which the Department of the Municipality of al-'Imarah had erected.

Meanwhile, the masses of the governorate will be celebrating this occasion, through a number of activities and functions, including the holding of cultural fairs, media parades, and poetry evenings, the organization of people's markets, festivals and symposia and the establishment of artistic shows.

The governor asserted that in the context of the struggle Maysan has turned into a workshop of unremitting activity and work to establish projects and offer initiatives to support the war effort and back up the fighting with the ingredients for victory.

He added that the work of carrying out the projects which had been prepared has been unceasing; a number of these have recently been completed, while work is continuing on the construction of projects that are being executed. Among the projects on which work was recently completed were the headquarters of the Federation of Women of Iraq and the governorate security department. Meanwhile, work is continuing on the construction of a new 400-bed hospital, a department for educational equipment, and a center for construction training.



In the area of providing housing for citizens, work is underway on the construction of 1,008 apartments to house citizens, 1,000 other apartments to house people belonging to the industrial sector, and 68 apartments for people belonging to the building and housing department.

Meanwhile, 17,000 plots of land for housing have been distributed throughout the governorate to citizens, and work is continuing now on the distribution of more than 5,000 new plots in execution of the directives of the president and commander, Saddam Husayn, by providing suitable housing for the citizens.

In the realm of road and bridge construction and paving in the context of the war, nine main roads have been built with a total length of 4,250 kilometers, while work is underway on the construction of seven other roads with a total length of 680 kilometers. These streets and roads will link the governorate with its districts and subdistricts to facilitate the transport of citizens and agricultural products to and from the center and other governorates.

The governor pointed out that 27 bridges have recently been built in various areas of the governorate for the purpose of absorbing the flow of congestion of means of transport.

In another area, agricultural departments are busily promoting the activities of newly planting land and developing rural areas with the goal of increasing the productivity of farmland and meeting needs for products, as part of the ambition of the political leadership of the party and the revolution to cultivate every square inch of the country's land and bring into being an advanced, flourishing countryside.

In the municipal area, the municipal departments are continuing to offer their services to the citizens, especially in paving internal and branch streets, establishing parks, and organizing gardens.

11887

CSO: 4404/548

HEAD OF NEW LIGHT INDUSTRY MINISTRY DESCRIBES PROGRESS OF ESTABLISHMENT

Baghdad AL-JUMHURIYAH in Arabic 17 Jul 83 p 11

[Interview with Tariq Hamad al-'Abdallah, Minister of Light Industries: "We Are Seeking To Develop Our Industrial Products in a Manner That Will Guarantee the Enhancement of Consumer Confidence in Domestic Production"; date and place not specified]

[Excerpts] The Ministry of Light Industries is the ministry for food, clothing and construction materials; it is from this that the ministry acquires its importance.

In the course of a year, the age of this ministry, which first came into being on 28 June 1982, what has it done in terms of fulfilling its responsibilities and discharging its missions of developing and modernizing these vital industries? What are the results of the activities and efforts which the ministry has exerted, the tours in the quest for information and visits which the minister of industries has made to the factories and installations belonging to the ministry, his weekly meetings with citizens to listen to their recommendations and complaints, and the results of the opinions which they have raised regarding the production activity of the ministry's installations and factories in local markets and its quality and indices of its development? The first year in the life of the ministry, as the minister, Tariq Hamad al-'Abdallah, says, was a year of constant unflagging labor and concentrated effort exerted by all the workers and officials in the ministry to develop the conditions of the productive installations, modernize their production techniques, develop and improve their products, and bring them to the level of competence to meet citizens' needs for the various commodities and materials they produce.

In order to become acquainted with this role and the achievements the ministry has made in its first year, we met with the minister of light industries and held this conversation, which dealt with these aspects, with him. He revealed many facts related to it, on the occasion of the celebrations of the glorious 17 and 30 July revolutions.

Building a Firm Industrial Base

At the beginning of the conversation we held with Mr Tariq Hamad al-'Abdallah, the minister of light industries, we asked the minister to talk to us

at the beginning about what has been achieved during the past year of the ministry's life in the direction of building up its organizational structure and completing the organizational format of activity in the ministry.

The minister said, "Revolutionary Command Council Decree 87 of 28 June 1982, by virtue of which the Ministry of Light Industries was created, had the objective of creating a specialization in areas of work in the industrial sector, especially after the activities of the industrial sector had expanded and the structures connected to the Ministry of Industry and Mines had branched out in a manner requiring that it be divided into two ministries. The Ministry of Industry and Mines would continue to administer the branches of the chemical, machinery, electric and mining industries (aside from oil), while the Ministry of Light Industries would be responsible for administering industrial branches that had a direct bearing on the basic needs of citizens, such as food, clothing and construction materials, within the installations of the socialist sector, and would be responsible for organizing the work of industrial activity in the private and mixed sectors and for supervising the departments in charge of organizing their activity.

"This decree is to be considered a great step along the road to implanting the base of domestic industry, deepening its activity, expanding its technical scope, and diversifying its productive branches. It also came about as an expression of objective needs which have been imposed by the expansion in the activities of the industrial sector, the ramification of its structures, the proliferation of its productive areas, and the need to have specialization in and concentration on the areas of productive activity within this sector's installations.

"A subsequent Revolutionary Command Council Decree specified the organizations of both ministries, the organizations and installations subordinate to them, and the general framework of the organizational structure of each.

"In accordance with the decree, the structural formations of the productive organizations connected to the ministry were made to include the textile, food and construction sectors, and 33 general organizations within the socialist sector are subordinate to the institutions the ministry supervises.

"About 140 large factories, distributed among the various areas of the country, are connected to them. About 85,000 persons work in them. In addition, the ministry has an organization which supervises the activities of the mixed sector, which is composed of 13 large industrial companies, and the activities of the private industrial sector, which is composed of more than 35,000 productive units, in which more than 120,000 workers are working. The Industrial Bank, which provides financing and credit and banking facilities to industrial projects, is also connected to the ministry."

#### A New Organization for Studies and Execution

We asked the minister, "Now that the formulation of the ministry's organizational structure has been completed, have you created new formations

belonging to the ministry in the context of the structures to which you referred?"

The minister replied,

"Yes, a new organization has been created, the General Organization for Industrial Projects, which was formed after the the General Organization for Industrial Design and Construction was split up between the two ministries. The newly created organization is now responsible for the preparation of technical and economic studies for industrial projects, their design, supervision of their execution, and the provision of their supplementary requirements, preparatory to their submission to the productive organizations concerned. A general installation which specializes in the direct construction of industrial projects is connected to the new organization."

#### The Language of Facts and Figures

I asked the minister of light industries, "It is the language of facts and figures that most embodies the tasks which the minister referred to, which have been completed in the first year of the ministry's life. Could you provide an impression of these results through the figures that have been realized?"

He said,

"We have indeed made some progress. I can present the most conspicuous features of this progress to the reader through the indices that are now available to me concerning 11 months in the life of the ministry. In the context of the ministry, the indices realized in the past months were 87 percent of the figures in the production plan. In the context of the specific organizations, the textile organization realized the highest percentage, 93 percent, followed by the General Food Industries Organization, which realized 87 percent, and then the General Industrial Development Organization (the mixed sector companies), which realized 83 percent. Comparing these achievements with the same period of last year, we find that there has been a 7 percent improvement in the ministry as a whole."

#### A Modest Percentage Which Does Not Meet One's Ambitions

We asked the minister,

"Is this 7 percent rate satisfactory and responsive to people's ambitions?"

He answered by stating, "In my opinion it is a modest one in comparison with what we aspire to realize."

I told the minister, "You referred to the field visits which you made to your ministry's facilities and installations in the various areas of the country. How do you view the results of these visits and their repercussions on the course of productive work in the organizations and installations you have visited?"

The minister said, "The fundamental point, since our work started, has been to strengthen the role of the ministry's headquarters in various activities, foremost among them followup, since emphasis has been placed on the principle of 'field followup' and programs have been organized for field visits by officials from ministry headquarters. These have included programs for the visits by the minister, the deputy ministers, advisors and experts. These visits have given us good opportunities to learn about the fine points in the factories and installations and through them we have been able to be apprised of the problems and obstacles in the field and as a consequence to hasten to carry out some projects that have been delayed and put a hand on many problems related to quality and maintenance. We have also managed to deal with a number of issues related to coordination among the organizations or installations belonging to more than one organization, and study and set out the necessary solutions to these problems, within the resources available."

#### Product Quality Development

I asked the minister, "The Ministry of Light Industries has responsibility for the products which have the greatest relationship to the daily basic needs of the citizens. The quality of these products has become the object of constant evaluation on the part of the consumer, who finds among the products good things and some things which still need greater effort, if their quality, ingredients and style of packaging are to be improved. What have the ministry's efforts been in its first year relative to this situation?"

The minister said, "In the ministry's first year of life, we identified the problem of deterioration in performance, and took the initiative of creating the nucleus of a performance accuracy center. One of the experts working in our ministry was put to work full time for this purpose, and two studies were prepared in this context. The first dealt with the textile sector and the second with some products of the General Vegetable Oil Organization. These studies were discussed, and we are now following up on the execution of the recommendations they contained. We will seek to strengthen this nucleus, in hopes of turning it into a center specializing in studies on quality improvement and performance accuracy for the light industry sector. However, we have realized results to which one can refer in the development context."

I asked the minister, "We have one question left related to the ability of certain products to meet local consumption needs and the capacity for providing them on the markets. By monitoring the figures and rates of production in your ministry's installations and organizations, we note a constant escalation in productive output, but, alongside that, we note a continued phenomenon of a scarcity of certain of these products.

How can we explain or reconcile the increase in output in your organizations and installations with the lack or scarcity of some of these products that we sometimes observe in the markets?



The minister said, "We have noticed disruptions in the marketing of some of our products, such as milk and soda for instance. Therefore, we have proceeded to study the issue in detail in the light of the available capacities of existing projects, the availability of primary materials, the actual needs of the market, and other technical aspects. We decided to rely on the principle of specialized agencies for specialized agencies to sell dairy products, which are agencies that will guarantee us that the product reaches the consumer in adequate fashion, on the one hand, and that surveillance over distribution will be strengthened on the other.

"The same principle will be applied to soda and alcoholic beverages, with varying rules, since we will not allow soda to leak out from direct consumer sales outlets (specialized agencies) to restaurants, clubs and so forth, in the future, since each party will have its own share -- the restaurants a share, the consumers a share, and so forth. As part of the same trend, we have made some changes in procedures for marketing building materials in a manner that will guarantee that the citizen obtains his entitlements of these materials. Here I encourage the citizens to cooperate with us and not ask to go beyond the fixed timetables, because that will confuse the installation involved and subject it to numerous problems."

Before we said goodbye to him, Mr Tariq Hamad al-'Abdallah, the minister of light industries, told us, "Frankly, I would not put everything I spoke about in the category of achievements, because in my estimation they are just the performance of a duty which the leadership has chosen us for, and that is not equal to a single drop of blood shed by a fighting man in any of the battlefronts in defense of the honor and dignity of the nation and in protection of the freedom, glory and dignity of this country. Whatever has been achieved is just a preliminary step along a long road which the peerless leader Saddam Husayn has instructed us we should not tire of traveling for the sake of giving happiness to the scions of our great people."

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# VARIOUS REVOLUTIONARY ACHIEVEMENTS IN TRANSPORT, COMMUNICATIONS EXTOLLED

Baghdad AL-THAWRAH in Arabic 16 Jul 83 p 8

[Article: "Vital Projects and Distinctive Leaps forward Are Being Realized in the Areas of Transportation and Communication in the Era of the Revolution"]

[Text] The transport and communications sector, after the glorious revolution of 17-30 July, has realized distinctive forward leaps, whereas it had once been suffering from neglect and backwardness, same as the other sectors.

One of the first leaps to have been made in this sector was the creation of programs, considering them the basis for all its broad facilities, in order to raise transportation route capacity, prepare the necessary studies for projects for new routes, strengthen the position of the socialist sector in cargo and passenger transportation activities, increase marine transport capacity, revive river transportation, and prepare new projects, in addition to the construction of new airports, the development of air transport capacity and the opening of new routes and offices for it.

In the area of railways, work has started on the construction of vital projects whose effects will be reflected on the development plans in the country as a whole, such as the Baghdad-al-Qa'im-'Akkashat railway project, which will pass through al-Fallujah, al-Ramadi and 'Anh, all of whose main connections have been built, and the strengthening of the current rail lines connecting the Governorates of Basrah and Nineveh, increasing the capacity of these lines and running trains over them at higher speeds, in addition to the purchase of new locomotives and passenger and cargo cars.

Land transportation, for its part, has witnessed new leaps forward through the provision of many huge cars allocated to the transportation of cargoes and fresh fruit and vegetables.

Ocean transport has succeeded, through its massive steamships, in realizing an increase in deadweight tonnage from 12,000 tons before the great 17 July revolution to 114,000 tons since it.

In the context of telecommunications, the number of international communication lines has increased, since telephone density has gone from 0.9 per 100 inhabitants in 1970 to 2.83 for the same number in 1980, then reaching 4 telephones per 100 inhabitants in 1982. This is to rise to 7 telephones in 1984, after the completion of projects on which construction is now underway.

In addition, telephone and telegraph communication channels among the governorates and neighboring countries have been provided through microwave and coaxial cable systems, international communications have been provided through the ground station, effecting telephone, telegraph and telex communications with Arab countries and international centers, automatic telex services have been put in general use in the seats of the governorates, and telex service has been hooked up to the outer world.

Air activity, which has been granted attention and care from the leadership of the party and the revolution, has managed to achieve growth rates which are in balance with Iraq's international status and cultural resurgence, through its fleet, which consists of Boeing and jumbo aircraft, in addition to the construction of modern airports, at the forefront of which is Saddam International airport.

The Ministry of Transport and Communications is currently continuing followup of its vital programs by laying modern railways at a high level of technology between Baghdad and Basrah via al-Kut, with two other branches connecting the governorate via al-'Imarah and al-Nasiriyah, and another extending from Baghdad to Mosul, passing via Kirkuk and Irbil, with one branch line from Ba'qubah to Khaniqin and one between Bayji, Kirkuk and Hadithah, as well as a ring route around the city of Baghdad.

The work of completing, outfitting and installing modern automatic exchanges is also increasing.

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PROGRESS OF VARIOUS INDUSTRIAL PROJECTS REVIEWED, EXTOLLED

Baghdad AL-JUMHURIYAH in Arabic 27 Jul 83 p 4

[Article by As'ad al-'Aqli: "Industries Which Came into Being under the Aegis of the Revolution: The Machinery Industries Are a Step on the Road to Heavy Industry"]

[Text] The basic tasks which faced the revolution, beginning in its first years, manifested themselves in ridding the domestic economy of one-sided development and reducing its dependence on oil revenues, which were characterized by vacillation and instability in the context of the monopolies' dominance of the "black oil" production sector -- not to speak of the need to diversify income sources and concentrate economic and social development plans on a firm material and technological base which would provide a reasonable degree of objective and subjective factors to constitute the basis for subsequent progress.

Initial Premises

How has that been achieved?

The revolution understood the true nature of the dynamic interrelationship and mutual effects of these tasks, and therefore faced them in a comprehensive manner in order to build the domestic economy on balanced foundations which would take account of the particular characteristics of developmental evolution of a socialist character, with reliance on the principle of direct national exploitation of natural resources and wealth, foremost among them oil and sulphur. This occurred simultaneously with the entry of the revolutionary government into the first round of negotiations aimed at regaining the Iraqi people's rights and interests in their oil resources, reliance on the principle of the necessary harmonization of the direction and guidance of coordinated developments in the economic and social sector, and the takeoff from the premise that it is industry that constitutes the main base of radical comprehensive developmental transformations, without intending to neglect aspects of necessary construction and progress in other fields, especially agriculture and services, since industry will remain deficient in the search for its requisite dimensions and performance of its real role in

the event the agricultural sector remains too backward to effect the necessary harmonization in two main processes:

First, providing and supplying the industrial sector with certain materials which enter into the framework of processing activities, especially in the case of food industries, and consumer industries in general.

Second, finding its expression in providing the agricultural sector with its requirements for manufactured goods, especially those of a productive nature, and providing the opportunity of mastering them in terms of volume and technology.

From this point of departure arose the revolutionary government's early attention to machine industries and the effort to prepare its structural frameworks by creating the General Machinery Industries Organization, before the revolution had gone through its second year.

#### Interconnected Achievements

We were on our way to this installation. It was a beautiful morning. A full hour and 70 kilometers: the sporadic three-way conversation almost covered half of our route. Perhaps the interesting side of it was its rapid transitions. We did not let a subject pass us by without taking up some aspects of it. We might sometimes have disagreed, but the general tendency to agree was obvious.

The beginning of our conversation was with one of the workers in the installation itself. Our simple, succinct questions concentrated on the road, the machinery industries and workers' services, while the quiet conversations moved over to all developments, starting with the war, proceeding through the resources available and provided to defeat backwardness, and ending with Arab conditions and the form they would probably have taken had the aggression by the regime in Tehran not occurred.

On the road, we were bedazzled by the "interconnection of achievements." Every spot of land in the nation embraces an achievement provided by the revolution in expression of its genuineness, its truthfulness and its great love of the broad segments of the masses of the people, those with a true interest in the revolution and socialist transformations -- residential buildings standing proudly to contribute their part in alleviating and remedying the housing shortage, industrial installations, building material factories, built-up cities, farms and orchards. The most splendid aspect of the matter was the active movement of the people, which embodies the extent of combative solidarity with the revolution and the level of economic activity and developmental inclinations.

#### The Installation: A Brief Glimpse

After arriving at the General Machinery Industries Organization, we started to visit the jobsite, where we met with the director general in his office, which was decorated with tables containing statistical indices on the accomplishments of past years and future production plans.



We stated the nature of our mission, although the top official of the organization had a prior preliminary notion of it. Agreement was reached rapidly on the subjects that ought to be covered. The starting point was the historical dimension of the organization and a brief glimpse at it on the basis of the picture its director general had portrayed.

The General Machinery Industries Organization was established in 1970. It started test production in 1971. The point of departure was for the organization's production to have a design capacity of about 30,000 agricultural machines. However, since the country's requirements could not absorb this volume of production, requirements demanded that one think of manufacturing certain other products in order to exploit the surplus capacity available. Therefore, the organization proceeded to embark on the assembly of the "Zitu" tractor, which is called 'Antar, in agreement with the Czech party, in the hopes of strengthening our approach and increasing the rate of local industrial production to the point where we would attain complete production operations. We indeed have at the present time realized important successes within this context, since the rate of domestic production has come to about 30 percent, into which the processes of painting and the introduction of certain products such as batteries, which are also considered to be locally manufactured, do not enter.

As regards the agricultural machinery the organization produces, this represents production that is totally Iraqi from the standpoint of design, technology and construction.

It is worth pointing out that we have entered into commitments with the Czech party where it will provide us with an advanced assembly line which has the goal of raising assembly rates to 15,000 tractors a year. In addition, a new plant has also been added to the organization to produce ordinary truck trailers and mixers in cooperation with an international firm.

#### 90 Types of Products

[Question] What about your main products?

[Answer] Our products are to be considered numerous and varied; they come to about 90 various products, which are broken down into specific categories. For instance, within the category of bodies lie the bodies of mixers, ordinary bodies, ordinary trucks and mixers.

In addition, as regards tractors and their local manufacture, as well as the various types of agricultural machinery, which include rotating harvesters, triangular plows, sluice gates, dual spring hoes, bulldozer blades, graders, and agricultural packaging equipment, these are our main products.

#### Production Indices

[Question] What are the most prominent facts about planned and actual productivity, especially in the years of confrontation with the expansionist Iranian aggression?

[Answer] At the outset, one can assert an important fact, which is that when following up on the production indices of the past 3 years, that is, in the stage of the expansionist aggressive war imposed upon our people, we notice that we can record the following:

At the start of the war in 1980, production, in terms of value, was 4 million dinars a quarter. This rose to 8.3 million dinars in the first quarter of 1983.

This is the highest figure attained by the organization since it was first established.

In the context of execution, there are three major products, bodies, where the rate of plan execution comes to 100 percent or more; agricultural machinery, which is being manufactured at about 80 percent of the planned level (for which there are objective and subjective justifications);

And tractors, where the rate of plan execution lies between 90 and 100 percent.

In general, the rates of plan execution in full, in figures, are all more than 100 percent, ranging from 101 to 111 percent. These rates are the highest the organization has realized in the past 3 years, that is, in the war period.

In the context of the volume of actual production, as compared with the plan, we notice the following, in breaking our main products down by months:

Actual production of tractors comes to 2,200 per month, as compared with 2,400 in accordance with the contents of the plan.

Actual production of mixing trucks came to 2,500 per month, as compared with 2,850 in accordance with the plan indices. The same situation applies to the other products.

It should be pointed out that these rates of execution lie within the context of a situation in which a portion of the workers in the installation have turned away to play their fighting part in the war.

#### Modernizing Technology

I then proceeded to ask the director of the organization:

"It has been noticed that there is an overlap, or juxtaposition, of old and modern technology in the organization. What is the nature and magnitude of the measures aimed at modernizing the sections and productive activities?"

He said, "In the area of the modernization of technology used in the machinery industries, we tried, after the installation started working, to introduce some aspects of developed technology, by including SNS machinery, machines which operate by computer, in the organization. That has actually been done, and one of these machines has compensated us for 13 which we had

been using in the past. Likewise, 13 workers were operating the assembly line, and this machine is now being operated by just one worker. In addition, a new line for galvanization and plating has been introduced which is controlled and run by computer as well, and it is currently in the stage of being tested in terms of operating and preparation operations.

"In the area of nut and bolt production, the approach has been to use modern developed machines to produce M-16 and M-20 bolts, while this operation had previously been followed and run by hand, with four machines operating in a single section over two work shifts at a monthly production rate of no more than 4,000 or 5,000 nuts. The modern machine that is used, which contains an integrated line to produce bolts, supplies the organization with 86 bolts per minute. Thus, production requirements have been supplied inside the organization, and on top of that local market requirements for that product have been covered.

"As regards casting, there are many developments that have been introduced into the core branch, since modern methods have been used in the forms that surround the cores. This is considered one of the developed modern sections which have contributed to improving quality and increasing productivity.

"In addition, some advanced modern ovens have been used in the heat treatment of many of our products, since the process of controlling heat treatment is extremely delicate and it is applied by mechanical accessories to operations that are underway.

"In the area of the manufacture of forms and layouts, advanced modern machinery has been used, involving a machine that operates by a specialized computer on precision parts that it was not in our capacity to manufacture in the past because there were some very delicate curves.

"There is another machine which has facilitated and accelerated the production process, the copy machine, which produces a copy of a wooden form in which there are two areas for making duplicates, that is, making two metal forms simultaneously. This process has led to a reduction in the period for producing a single form from 15 or 20 days to less than 1 day.

#### Innovations and Acts of Initiative

"To that one should add the many innovations and acts of initiative which the technicians in general have recorded, from engineers to workers, those who have developed the ability and the competence to devise productive processes and introduce them into the process of manufacturing layouts.

"There is another process which has been created recently in the field of the development of maintenance activities; this has entailed the installation of a specialized machine to strengthen and soften the surfaces of the body of the machine during the process of rebuilding it after it has lost accuracy within specific limits. This section has been bolstered with advanced staffs and people who are competent in maintenance activities, since it has started to play its part at the present time."

[Question] Product quality control operations constitute an important aspect in developing the production level in any industrial organization. What is the extent of your organization's interest in product quality control and in guaranteeing that products are improved and developed?

[Answer] Emphasis has been placed on quality control operations since the organization started. Therefore, we have created developed laboratories for precision inspection operations, and they have been supplied with many advanced items of equipment. In addition, we have used experts in control activities to inspect complete tractors and raise the quality of local manufacture to the desired level. Perhaps the results available to us now in accordance with the reports that have been presented will underline the extent of our ability to provide requirements to improve products and maintain their good quality, especially since Iraqi producers are no less competent than their foreign counterparts in terms of quality and precision. Along with all the measures that have been taken by the installation, there are two experts, one Iraqi and one foreigner, who are specialized in inspecting tractors before they are delivered to the citizen. Quality control activities are considered ceaseless and interconnected, comprising all parts manufacturing and assembly activities, the inspection of final products, delivery and sale to the citizen, that is, four to five stages which involve integrated quality control.

#### Product Marketing

[Question] How are the organization's products marketed? Is there a balance between market requirements and the volume of goods produced? What about export trends, through your grasp of the needs of local markets?

[Answer] As far as tractors go, our total production of these has been reserved up to the end of this year, and the same is the situation as regards the agricultural machinery. However, the only products whose marketing has started to decline are the ordinary trailers and dump trailers. This situation is related to temporary circumstances which have no relationship to our study of the market and market requirements. Therefore, we have found it necessary to start with the export process, since the General Machinery Industries Organization has been carrying out very extensive activity to export these products to Arab markets, especially Jordan and Kuwait.

#### Accrediting Workers

[Question] You are aware how firm the relationship is between accrediting and reaccrediting workers and the level of their productive competence and improvement of their performance. On the basis of that, how do you carry out your training and development processes inside and outside the country?

[Answer] Our organization depends directly on the vocational training center of the General Machinery Industries Organization, which was basically established for the purpose of providing machinery industries with technical personnel that are able to deal well with technology. This center takes indices related to our acceptance of students in accordance with annual requirements.

We also are directing ourselves to including a paragraph in our contracts concluded with foreign suppliers related to training our personnel in activities which we believe are necessary, and for which no area of specialization has been provided in our country. In addition, there is an agreement with the Czech party to train about 200 people in the company in the form of workers, supervisors and engineers. These will be the basic core of local manufacturing activities bearing on tractors. This plan has now been postponed, with hopes that it will be taken up in the future.

In addition, all contracts for the purchase of machinery, especially advanced machinery, contain a paragraph stressing either training in production factories or the performance of on the job training directly following operation activities for specific periods of time, at the expense of the supplier companies in both cases.

#### Social Services

Finally, we asked the director general of the organization, "What is the level of services offered to people working in your organization?"

He answered by stating, "The installation oriented itself at an early stage to establishing its own community, supplied with 2,000 housing units, a large hospital with 50 beds which has now been expanded, and, on top of that, a movie theater, a club, and schools at different levels. In addition, the organization has taken on the matter of establishing a nursery which will be operated by itself. This measure has been authorized to attract female manpower. In addition, the residential community has been supplied with integrated markets containing branches of the Iraqi Warehouse Company -- that is, it meets all the daily requirements of social life."

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## BAGHDAD AZERI CALLS FOR POPULAR OPPOSITION AGAINST KHOMEYNI

CF252018 Baghdad International Service in Azeri 1800 GMT 20 Sep 83

[Unattributed commentary]

[Excerpts] Dear listeners: The mentality of the empty-headed rulers of the Khomeyni regime indicates that the illiterate and confused leaders in Tehran are suffering from melancholia. The mentality of the mullahs who have appeared in Iran is so ridiculous that every aware person questions the state of their mind. If we wish to learn about what the mullahs think of and about the state of their mind, we only have to examine their most recent illogical claims.

In their statements they have claimed that the escalation of the war at the battlefronts and the prolongation of the Iran-Iraq dispute will result in the fall of the Iraqi Government and the removal of the political opposition forces within Iran itself. One is indeed astonished by the ridiculous logic of these illogical elements. How can such crazy people, who deserve to be in chains, hold the future of a country like Iran in their hands and how can they oppress the poor peoples of Iran?

Does the increasing loss of life and material in the war mean a lessening in number of the opposition in Iran? Can there be anything more illogical than this view? The rulers in Tehran have put forth such a view at a time when the treasury of their state is empty and mice are playing a game of dice in it.

Disaster, starvation, and death are sweeping through Iran. Millions of Iranians are unemployed and millions of others have become refugees. High costs and inflation prevail in Iran. As a result of the war, Iran's economy is moving towards a chaos. Regardless of all this, however, the rulers in Tehran still say that they give this disastrous state of affairs to the Iranian people as a present. However, they will not abandon the war. The prolongation of the war means the weakening and gradual removal of the political opposition forces in Iran and the ousting of the revolutionary government in Iraq.

We had never before heard such an empty, illogical and ridiculous mentality from any crazy person to date. However, we now hear of it from the mouth of the Khomeyni clique. Should we not doubt the soundness of the mentality of

such individuals? To date, we believe that the Khomeyni regime intends to use the prolongation of the war to temporarily veil clashes and the chaotic situation within Iran and to use the war as an excuse for its incompetence.

Instead of resolving the objections and vital problems of the peoples of Iran, ending the Iran-Iraq dispute through peaceful means, allowing political movements in Iran to exist, admitting to the just and legitimate national demands of the poor Iranian peoples and ridding the Iranians from the claws of violence and idols, the crazy and illogical rulers in Tehran and Gom claim that no matter what happens the war must continue--even if it means that Iran is converted into a bloodbath or is destroyed. They do not think about the outcome of the war. They do not think about the fact that the blood of youths is being shed at the battlefronts. The battlefronts are not a place like Jamaran where cakes and refreshments are served.

According to imposter Khomeyni, war is a good thing. It strengthens human beings. It eliminates bribery and sponsorship. The [word indistinct] becomes illuminated and the heavens clear up. As for faces, they start to smile. And again according to Khomeyni, dawn breaks and sleeping youths awake to the sound of artillery during the war. Indeed, these are illogical remarks which are the product of an empty brain.

Doesn't Khomeyni and his sinful band know that they are the main cause of the sad war they imposed on the Muslim people of Iraq? Wouldn't the 50 billion tumans, which have been spent on the war, (?contribute toward) ending clashes and disputes in Iran? By allowing opposition forces and national movements to function, wouldn't they have prevented armed clashes, explosions, executions and political strife in that country? But how can one expect wisdom, logic, and politica from an imposter like Khomeyni? How can you expect logic from the rule of the mullahs? No wonder the [words indistinct] and disasters.

Hence, it is the duty of each and every Iranian to join the opposition forces. It is the duty of each and every Iranian to support the military, political, and national movements and organize demonstrations and marches demanding the end of the war. It is the duty of each and every Iranian to be concerned with the vital problems of the war victims. No sacrifice should be spared in the direction of establishing a national democratic government in Iran. Thus, the arena will not be left to the satanic charlatans and the warmongering [word indistinct] regime. Otherwise, favorable conditions will exist for the Khomeyni band to continue its deceitful moves and warmongering attitude. Therefore, the presence on the stage by the Iranians against the Khomeyni regime and its supporters and the ridiculing of the logic of these illogical rulers will mean the removal of such leaders together with their ridiculous mentality from the face of Iran. In fact, it will mean ridding Iran and its peoples from the blood-dripping claws of the mullahs' administration. It is our conviction that through a new move the Muslim peoples of Iran, a neighboring country, will succeed in dumping the crazy rulers into history's garbage bin and creating a new, independent, flourishing, and free Iran.

## BRIEFS

NEW AGRICULTURAL PROJECTS--During the glorious July holidays, a number of agricultural projects will be opened in various areas of the country. In the Governorate of al-Ta'mim, a 1,000-ton refrigerated warehouse, the Karbala' poultry slaughterhouse, the al-Dur poultry slaughterhouse, the Sumayyil poultry slaughterhouse, and the al-Dawrah cooperative poultry slaughterhouse, with a slaughtering capacity of 6,000 fowl per hour, will be opened. There are the central veterinary laboratory in Irbil, the construction of 120 houses in Nahrawan, a tobacco warehouse in the Kuysanjaq tobacco station, a fence for gazelles in the al-Rabtah pasture station, a greenhouse in Abu Ghurayyib, a veterinary clinic in Dar, a cooperative in al-Ta'mim, a veterinary clinic, veterinary quarantine hall, and building for government employees in 'Ar'ar, a local administrative building in al-Anbar, a residential building, department, pump room and water reservoir for groves in Babil, an air conditioned greenhouse in al-Zabilah, Karbala', and a department for the western channel branches. Also inaugurated will be the first stage of the animal raising station and a village with modern market in the subdistrict of al-'Abbasiyah, al-Najaf, tiled roofing for areas over the rice crop gathering center in al-Qadisiyah, a department for the branches of the General Agriculture and Land Reform Authority in al-Shamiyah, a building for the General Agriculture and Land Reform Authority in al-Nasiriyah, and a veterinary clinic with house, warehouse, garage, greenhouse and administrative building in Nineveh. There will be the inauguration of a building for branches of the General Agriculture and Land Reform Authority, a service complex, a veterinary clinic and a guidance center in Irbil. There will also be an artificial insemination center in Salah-al-Din, a marketing center in 'aysan, and a building for the General Agriculture and Land Reform Authority in Basrah. [Text] [Baghdad AL-THAWRAH in Arabic 16 Jul 83 p 8] 11887

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## NEW ECONOMIC MEASURES REVIEWED

Jerusalem THE JERUSALEM POST in English 24 Aug 83 pp 1, 7

[Article by Aaron Sittner]

[Text]

Finance Minister Yoram Aridor last night claimed victory in his struggle to raise IS\$5 billion with a two-pronged strategy of reducing state spending and mustering new income through taxation and various fees.

"It appears we have done it," a weary but confident Aridor told reporters summoned hurriedly to his office in Jerusalem. "To be precise, we have accounted so far not for IS\$5b. but for IS\$4,985b. Of this sum, IS\$3b. is still under negotiation between Education Minister Zevulun Hammer and myself.

"On the other hand, another IS\$4b. is almost in the bag — IS\$3b. to be saved by cancelling the work holiday proclaimed for October 25, date of the municipal elections, and IS\$1b. from a special fee we shall impose on all state-assisted but non-governmental organizations, based upon their budgets."

Aridor gave the following breakdown, approved by the cabinet on Sunday, but not made public until yesterday.

(One item — cancellation of birth grants for mothers — was specifically denied by a cabinet spokesman Sunday night, but "corrected" by Aridor last night.)

Agreed-upon cuts in the budgets of government ministries — IS\$30,-785m.; cancellation of next October's candidate and party financing law — IS\$500m.; income taxes on a family's first two child allowances — IS\$1,900m.; National Insurance Institute cuts and new

revenues (cancellation of birth grant, increased contributions from self-employed, reduced late-retirement benefits, increased penalties for late payments) — IS\$2,-800m.; taxes and fees (travel tax and purchase taxes) — IS\$10b.; a supplementary 1 per cent budget cut from all ministries — IS\$6b.; and school and university budget reductions (still under discussion) — IS\$3b.

Cancellation of party financing and the work holiday for the upcoming municipal elections on October 25 will require convening of the Knesset, since these two measures were written into law before the Knesset rose for its summer recess.

Claiming that such substantial budget cuts as those approved by the cabinet are "unprecedented in Israeli history," Aridor lunged into a bitter attack on Histadrut Secretary-General Yeroham Meshel for allegedly refusing to enter into negotiations on a wage-price-taxation package deal.

He said: "The Histadrut is attempting to dodge a basic economic fact of life — with our economy being in the state it is in, an increase in real wages can and must lead to large-scale unemployment. Since the Histadrut does not wish to cooperate with me, I had no choice but to initiate these stringent moves.

"First the labour federation refuses to cooperate with us.

Then, when we act, they accuse us of acting unilaterally, without

consulting them"

As for the size of the budget cuts, Aridor had this to say: "It is much easier to make meaningless reductions in the various budgets. That looks nice on the books, but does almost nothing to rehabilitate a weak economy. Another reason for the deep cuts was that the more we trim, the less new money we shall have to print. Printing money, gentlemen, only fuels the flaming fires of inflation."

According to Aridor, all previous economic programmes launched by Israeli governments, both Likud and Alignment, had failed simply because they did not include meaningful budget cuts. "Trouble was, there were always pressure groups and special interest lobbies strong enough to prevent those vital budget incisions," he argued.

The finance minister also lashed out at Labour Party Chairman Shimon Peres, who said he could slash IS100b. from the state budget solely by pulling the Israel Defence Forces out of Lebanon and halting settlement and development in Judea and Samaria.

"I'm afraid Mr. Peres has his mathematics all mixed up," Aridor asserted. "Those two items do not add up to IS100b. Besides, you cannot terminate a war just when you want to."

Besides the price in soldiers' lives, Aridor continued, the economic price of Operation Peace for Galilee goes beyond the defence budget. As more and more reservists are called up, production lags and exports suffer.

Asked to infer what the state of the economy would have been had

Israel not launched the war in Lebanon, he replied: "The Galilee would now be desolate, with shells raining down upon Kiryat Shmona and everybody running away from the north."

The finance minister pledged that Israel's low-income citizens would be compensated for any economic pinch resulting from the austerity programmes and government subsidies will correlate with the rate of devaluation. But middle-income and affluent Israelis will have to accept some belt-tightening.

Asked if the average Israeli could accept such effects, Aridor noted: "Why not? If more than half a million average Israelis can afford to go on holiday abroad, then it is obvious that as individuals we are not in an economic bind after all. Why should people start wailing the moment you limit one or two of the benefits they have been receiving?"

Aridor assured the reporters that "this government has no intention of touching Israelis' savings by such moves as ending linkage to the consumer price index."

He concluded by saying: "You cannot expect to see results of a new economic programme overnight. This is not the Six Day War. This is another 'war of (economic) independence.' We are on the right track and we hope the public will back us to the hilt."

"We oppose a faster rate of devaluation of the shekel, because that would only lead to higher inflation. The recent 7.5 per cent devaluation was a one-shot corrective move we had to take in view of the deterioration of the value of our so-called European currency exchange basket."



AID TO LIBERIA DISCUSSED

Jerusalem THE JERUSALEM POST in English 24 Aug 83 p 1

[Text] Israeli experts are to leave soon for Liberia to examine the country's agricultural problems and draw up an aid plan. This was agreed yesterday in meetings held in Jerusalem by Liberian President Samuel Doe with Premier Menachem Begin and Foreign Minister Yitzhak Shamir.

Also promised is aid in the treatment of eye diseases in Liberia and cooperation in the establishment of a Liberian national maritime company. (See page 2).

Doe and his party are the first black African leaders officialy to visit Israel since most of the continent's states severed diplomatic relations with Israel following the Yom Kippur War in 1973.

Yesterday the Liberian leaders met with Begin and Shamir for talks and a working lunch.

Begin expressed gratitude to Doe for his "courageous decision to re-establish diplomatic relations." He said he hopes others would follow in Doe's footsteps.

The major subjects of discussion yesterday were Libya's invasions of Chad and relations between Israel and Liberia. The Liberians asked for Israel's aid in improving their country's agriculture, upgrading its ophthalmology services and the creation of a national shipping line.

Later, at a state dinner at Beit Hanassi, Doe said, "A just and lasting peace cannot prevail in the Middle East without due recognition of the God-give rights of the Palestinian people, including their right to a state of their own."

"Care must be taken not to allow Israel's legitimate need to defend itself to be equated to a situation where those who have been seen as victims of suffering are perceived as inflicting suffering on others," Doe said.

Throughout his speech, Doe reiterated Liberia's admiration for Israel and hailed the ties which have linked the two countries since 1948.

Doe said that Libya's continued intervention in Chad is viewed by Liberia "with utmost regret and dismay."

He called on the world to support "the legitimate government of President Hissene Habre in order to resist Libyan aggression and preserve Chadian sovereignty."

President Chaim Herzog, who hosted the dinner, also devoted part of his speech to the Libyan invasion of Chad. He charged that Col. Muammar Gaddafi is trying to turn Chad "into a vassal state and the springboard for further aggression into Africa."

Earlier in the day, Doe visited Yad Vashem. He also laid a wreath at the grave of Theodor Herzl, before proceeding to the Knesset where he inspected an honour guard and was welcomed by Speaker Menahem Savidor.

Today, Doe is scheduled to meet Defence Minister Moshe Arens and Jerusalem Mayor Teddy Kollek.

CSO: 4400/512

## NEW TECHNIQUE MAY IDENTIFY TERRORISTS, PUSHERS

Jerusalem THE JERUSALEM POST in English 24 Aug 83 p 6

[Article from the "Life Style" Supplement]

[Text]

A NEW technique to put the finger on terrorist bombers and drug peddlers is being developed by Weizmann Institute chemist Dr. Yehuda Yinon. The technique could also, he said, ensure a safer future for workers in munitions factories.

Using two sophisticated pieces of laboratory equipment in tandem, Yinon and his assistant Dau-Gwei Hwang, a visiting scientist from Taiwan, believe they can identify traces of high explosives and narcotics in a suspect's blood and urine.

According to Yinon: "Anyone handling explosives or narcotics absorbs a small amount through the pores of the skin. Various techniques have been used to try to identify such traces, but they have not been successful."

The reason is that particles entering the bloodstream following their contact with the skin are microscopic — sometimes no more than one-thousandth of one-millionth of a gram. In addition, they are mixed with the other chemicals found in the body and often change their form when coming into contact with body fluids.

Yinon believes the solution to this puzzle is the use of a mass spectrometer combined with a liquid chromatograph (LCMS for short) in analysing a suspect's blood or urine.

The whole complicated process boils down to this: The chromatograph is able to separate the mass of materials in a sample — even down to the tiniest traces. These are then fed into the spec-

trometer which identifies them, revealing any suspicious substances.

If Yinon's project succeeds, it will be a big stride forward in forensic science, and will provide a major contribution to the fight against terror and crime. The fact that a suspect has just touched explosives or drugs could be enough to land him or her in jail.

Not only are the police interested in Yinon's new work, but the FBI and the U.S. army have used the chemist's services. He recently gave the keynote address at the FBI's international symposium on the analysis and detection of explosives.

Yinon's latest project, he stressed, is still in its early stages. He and his colleague are currently investigating what happens to explosives when they are exposed to the body's fluids.

TNT, for instance, changes form in blood or urine. In order to know what traces to look for in a suspect, it is necessary to know what form TNT takes once it enters the body. The same goes for other explosives and drugs.

"Once we know what we are looking for," Yinon explained, "the whole thing becomes feasible."

With the aid of laboratory mice and rats, the chemist also wants to discover if the method used to introduce an explosive material to the body changes the way in which it shows up in the blood stream.

"For instance, we want to know if the metabolic process is different when a material is rubbed on the skin from when it is inhaled."

In addition Yinon pointed out, the project will boost safety standards in munitions and explosives factories.

"Explosives are toxic and people working in such plants are constantly exposed to the vapours. They have blood tests, but these are primitive and only show relatively large concentrations of material. Using the system I am working on, one would be able to detect a build-up of toxic chemicals in the blood at a much earlier stage," said the chemist.

The system can also be applied to detect waste materials from munitions factories seeping into the soil and into water resources. Said Yinon "This would be particularly useful in the U.S. where such problems are particularly acute."

The big stumbling block in the chemist's research is money. To make rapid progress, he needs more manpower and more equipment, but, he said, "We can't afford either at the moment."

Yinon has developed a computer technique to cut down the price of using the mass spectrometer. And in his crowded laboratory, he has built homemade equipment from bits and pieces to keep costs down. But still he is short of funds.

"It is not an unusual situation. Almost everyone in science research is feeling the shortage of cash. That is why we welcome foreign interest in our work. At one time, we received aid from the U.S. Army. If we could receive more money," said Yinon, "we could definitely speed things up." •

CSO: 4400/512

## FUEL PRICES INCREASE 12.5 PERCENT; FOOD, 5 PERCENT

Jerusalem THE JERUSALEM POST in English 25 Aug 83 p 1

[Article by Charles Hoffman]

[Text] Fuel prices went up at midnight last night by a hefty 12.5 per cent, in accordance with a decision of the Treasury and the Energy Ministry to adjust them to the faster devaluation of the shekel since the last price rise at the end of July. Subsidized foods were increased by 5 per cent.

Until recently, fuel prices were raised monthly by 5 per cent in keeping with the Treasury's controlled devaluation policy.

The Energy Ministry spokesman stressed that in dollar terms, fuel prices in Israel are still cheaper than in most European countries.

Petrol 91 octane--litre	IS32.90
Petrol 94 octane--litre	36.70
Diesel fuel--litre	26.20
Kerosene--litre	27.10
Cooking gas-12 kg. cylinder (without VAT)	431.30
Heavy fuel for electricity--per ton (without VAT)	9712
Heavy fuel for industry--per ton (without VAT)	10,091

## Some of the new food prices:

Regular bread (lehem ahid), IS6.30 per 750-gram loaf; white bread, IS8.10; Hallah, IS9.20 per 500-gram loaf.

Margarine, IS8.30 per 200-gram block; IS12 per 250-gram cup; and IS41 for a one-litre plastic jar of cooking oil.

Frozen beef per kilogram: shoulder, IS227; breast, IS171; rib meat, IS192.

Eggs: no.1, IS3.90 each; no.2, IS3.20 each.

Milk, IS15.80 per litre bag; butter, IS13.60 per 100-gram block; eshel, IS6.30 per 170 ml; gil, IS6.20; cottage cheese, IS18.60 per 225 grams.



## JEWISH POPULATION IN JERUSALEM DECLINES

Jerusalem THE JERUSALEM POST in English 25 Aug 83 p 3

[Article by Michael Eilan]

[Text]

The Jewish population of Jerusalem is slowly shrinking; the city has an unhealthy dependence on government and other service jobs; and the roads have not grown enough to cope with the additional influx of cars in the capital.

These are a few of the points made in *Jerusalem: Statistical Data*, the first volume of what is planned to be an annual series of statistical yearbooks.

Other skimmings from the book's 18 comprehensive chapters: the city's Arabs and Jews are living longer; infant mortality, especially among the Arabs, has dropped drastically; and several municipal services have shown a steady improvement over the years, despite a cutting down of manpower.

The book was published by the Jerusalem Institute for Israel Studies, an independent academic body specializing in applied research on domestic issues for policy-makers. The work was done in cooperation with the Jerusalem Municipality and is largely based on data from the Central Bureau of Statistics.

There were no startling revelations in the book: most of what is presented has been made known haphazardly through other sources. But now that all the odd bits of information have been collated, they provide a sense of having the full picture.

The yearbook's statistics are drawn from the period 1972-1981.

In a press conference this week, Mayor Teddy Kollek, Prof. David Amiram of the Jerusalem Institute and Ephraim Shilo of the ministerial committee for Jerusalem all stressed that the trends seen in the yearbook have become stronger since 1981.

In 1981, a net loss of Jewish population was recorded, with 103 more people leaving town than moving in. Kollek is convinced that this trend will be sharply accentuated when the figures for the last two years come out. Satellite towns are drawing young people, who need the relatively cheap housing offered there.

The Jewish population is growing far slower than the Arab population of Jerusalem. But in East Jerusalem, the rate of growth also is dropping. From a peak increase of 4,200 people in 1976, the figure declined in 1981 to an increase of 2,600. Increase as a result of births was 3,600 in 1981, but the non-Jewish population also suffered a loss of 1,200 through emigration — more people left town than came in.

The death rate also declined from 7.1 per thousand in 1972 to 6.1 in 1981. Kollek said of this: "It means we need more old age homes." The child mortality rate in the Jewish population dropped from 19.1 per thousand in 1972 to 14.5 in 1981. Among the non-Jewish population, the rate fell drastically from 60.7 per thousand in 1972 to 24.5 per thousand in 1981.

## BROADCASTING AUTHORITY APPEALS BUDGET CUTS

Jerusalem THE JERUSALEM POST in English 23 Aug 83 p 2

[Article by Judy Siegel]

[Text]

Broadcasting Authority director-general Yosef Lapid maintained yesterday that the government's demands that the authority cut its budget by IS\$20 million "could be interpreted as punishment" rather than a proper attempt to save money.

Lapid was speaking at the weekly authority board of directors meeting, which decided unanimously that management would negotiate with the Finance Ministry to reduce the budgetary cuts the ministry has demanded.

The board also decided to take steps to reduce costs, including the cutting of overtime for employees and the use of telephones. Management has not yet discussed the overtime cuts with the works committees, and they have not yet reacted to this step.

The majority of the board said that management should again appeal to the education and finance

ministers to allow TV to broadcast programmes with financial help from sponsors, mostly commercial banks, whose names would be announced at the end of the show.

Lapid and members of the board rejected the suggestion by board member Micha Yinon to close down broadcasts at 11 p.m. instead of around midnight in order to save money. Such savings would be negligible, said Lapid.

Meanwhile, Michael Karpin, who has been acting editor of the *Mabat* newsreel for several months, was unanimously chosen permanent editor by a tender board that met yesterday. Karpin, 38, joined Kol Yisrael radio in 1969 and served as the authority's correspondent in Germany for over four years. The post will be his for three years.

Management appealed to many veteran staffers to try out for the job, but besides Karpin only Yitzhak Feller applied for the editorship.

CSO: 4400/512

## BRIEFS

HYDROFOIL SERVICE TO CYPRUS--HAIFA--Passenger service by hydrofoil between Haifa and Larnaca, Cyprus is to be inaugurated on Thursday. The Russian-built craft is scheduled to cover the distance between the two ports in five hours. The service will run by the Sapir wholesale tourism agency, a subsidiary of Zachariah Drucker enterprises, together with the Cypriot owners of the craft. The 30-knot boat has room for 120 passengers in aircraft-type seats and is to make the trip twice a week, on Sundays and Thursdays. Fares are scheduled at \$65 for a single trip and \$120 return, a company spokesman said. The present operation will be on a trial basis and if it proves popular the service is to be run throughout next summer on a regular basis. A now-defunct Israeli firm, owned by the late Yitzhak Shubinsky, ran a hydrofoil service to Cyprus about 20 years ago. It was discontinued after one trip and was never resumed due to the outbreak of the Cypriot civil war. [Jerusalem THE JERUSALEM POST in English 23 Aug 83 p3]

CSO: 4400/512

## STATISTICS ON CONSUMER SPENDING, STANDARD OF LIVING

Amman AL-DUSTUR in Arabic 1 Aug 83 p 5

[Article: "In a Scientific Study by the Department of General Statistics: 394 Dinars Average Annual Individual Spending in the Kingdom; Marked Improvement in the Standard of Living and Social Welfare"]

[Text] The Department of General Statistics has prepared a scientific study dealing with family spending during 1980-81 in the East Bank region of Jordan.

That study revealed some important facts and findings, such as the total spending for the kingdom, the family and the individual, according to types of spending, compiled in accordance with internationally accepted methods. It also contains a comparison of the percentile results of the study with those of similar studies in other countries of the region and a comparison of the changes in the index numbers, relying on the year 1980 as a base instead of 1975, and the rates of inflation.

The study, which covered 1,742 families distributed over 30 towns and villages representing the countryside and the urban areas in the kingdom, aimed principally at obtaining the following:

- The concentration and size of expenditures on goods and services so that they can be used in calculating the consumer price index in the kingdom.
- The statistical data needed to detect trends in consumption at the national level, both in the countryside and in the urban areas.
- The data needed for calculating the national income at fixed prices [rates] and for other economic calculations.

### The Findings

As to the findings, final tables have been prepared that depict the demographic, economic and sociological characteristics of the family (spending is quoted in dinars and consumption by amounts) for various types of goods and services, arranged according to geographic regions, the size of the family, the principal occupations, the level of education and economic activity. These tables also demonstrate the percentile importance of each article and commodity or particular type of spending.

What follows is a summary of the results shown in the tables.

Table No 1 represents a summary of the most important overall indicators of the 1980 family spending study, in terms of the total spending for the kingdom, the family, and the individual, according to the most important types of expenditures and compiled in a manner currently followed internationally.

Moreover, the figures entered in this table indicate the fact that total national spending came to 853 million dinars during the year, distributed according to its relative importance as follows:

43.2 percent for food and beverage items and tobacco.

6.6 percent for clothing and shoes.

35.0 percent for housing and related expenses.

15.2 percent for other goods and services.

Average per capita spending in the kingdom amounted to 394 dinars per year. The share for food, beverages and tobacco was 170 dinars; clothes and shoes, 26 dinars; housing and related expenses, 138 dinars; and other goods and services, 60 dinars.

Table No 2 shows a comparison of the percentile results of the study regarding family expenditures with similar studies in other countries of the region. The figures entered in it show that the percentage of expenditures for food items in the kingdom decreased from 53.6 percent in 1975 to 43.2 percent in 1980, which points to an improvement in the standard of living and social welfare. At the same time, the rate of spending on housing and related items, like furniture, household effects and appliances increased from 4.7 percent in 1975 to 13.9 percent in 1980. Similarly, there was a slight increase in the rate of spending on other goods and services from 14.4 percent to 15.2 during the same period, which points to the fact that food no longer requires the largest portion of income, as is the case in countries with low incomes.

Table No 3 presents a comparison between consumer price indexes based on the two base years, 1975 and 1980. The index numbers that use 1975 as a base were calculated relying on the amounts and prices of 104 selected goods and commodities in four major cities: Ammon, Irbid, al-Zarqa' and al-'Aqabah.

The index numbers which use 1980 as a base were calculated relying on the amounts and prices of 200 selected goods and commodities in 13 towns and villages, including 600 stores engaged in retail trade and consumer sales.

In order to show the extent of the change in the figures as a result of using the year 1980 as a new base instead of the old base of 1975, the Department of General Statistics calculated the figures on the basis of 1980 and compared them with stated figures of the old base year, 1975.



In order to show the extent of the change in the figures as a result of using the year 1980 as a new base instead of the old base of 1975, the Department of General Statistics calculated the figures on the basis of 1980 and compared them with stated figures of the old base year, 1975.

The statistical data entered in Table No 3 indicates that the rate of inflation in the kingdom, relying on 1975 as a base, reached 11.1 percent in 1981 and 10.6 percent during the first 8 months of 1982. Using 1980 as a base it reached 7.7 percent in 1981 and 6.4 percent in the first 8 months of 1982.

It should be mentioned that this scientific study has been concluded in response to the needs of the planning institutions in the state, such as the Central Bank, the National Planning Council, and the Department of General Statistics since the latter half of the 1970s for precise consumer price indexes, and a report on consumer prices reflecting the fluctuations that have occurred since 1973, especially since the former index number, which depended heavily on the figures derived from the results of the study of family expenditures for the year 1966 is no longer representative of the current situation. Because of the time frame of that study and the radical changes that have occurred in the spending trends and habits of the society, the state saw the need to undertake this new and comprehensive study of family spending in the kingdom, the results of which will be used to adjust the amounts of goods and services.

In preparing a study as complex as this, assistance was sought from the advisory committee comprising representatives of the Central Bank, the National Planning Council, the Ministry of Labor, the Royal Scientific Society and the Department of General Statistics, with the cooperation of the West Asia Economic Committee.

Table No 1

The Most Important Overall Indicators in the Family Spending Study for 1980

Principal Expenditures by Category	National Expenditures (in million dinars)		Average Spending per family		Average Per capita Spending		Relative Importance (by Percentage)	
	Partial	In Total	Partial	In Total	Partial	In Total	Partial	In Total
1. Food Beverages, Tobacco		368.3		1139.0		170.0		43.2
-Food and Beverages	360.3		1113.2		166.1		42.2	
-Tobacco	8.0		26.8		3.9		1.0	
2. Clothing and shoes		56.0		173.5		25.9		6.6
3. Housing and related expenses		299.0		923.8		137.9		35.0
-Rent	140.2		386.0		57.6		14.6	
-Fuel, Electricity, and water	55.9		172.7		25.8		6.5	
-Furniture	102.9		365.1		54.5		13.9	
4. Other Goods and Services		129.9		400.3		59.7		15.2
TOTAL		853.2		2636.6		393.5		100.0

Table No 2

Comparison of the Percentage Results of Family Spending in Jordan for 1980  
With Similar Studies in Several Arab Countries

Country	Year of Study	Relative Importance for the Types of Spending					
		Food & Tobacco Items	Clothing and Shoes	Rent, Fuel, Water, & Electricity	Furniture & Household Appliances	Other Goods & Services	Total
Jordan	1975	53.6	10.2	17.1	4.7	14.4	100
Jordan	1980	43.2	6.6	21.1	13.9	15.2	100
Syria	1971/72	48.8	9.1	22.3	8.2	11.6	100
Iraq	1973	53.1	9.8	20.5	5.0	11.6	100
Oman	1975	59.2	9.9	7.1	6.3	17.5	100
N.Yemen	1972	65.0	5.8	13.3	7.7	8.2	100
S.Yemen	1978	63.0	7.2	8.9	7.1	13.8	100
Kuwait	1972	37.1	14.5	17.6	2.6	28.2	100
S.Arabia	1979	39.1	8.8	27.3	8.4	16.4	100
Qatar	1980	32.1	9.4	18.0	13.1	27.4	100

Table No 3

A Comparison Between Consumer Price Indexes for the Years 1975 and 1980

Year	1975 = 100 percent		1980 = 100 percent	
	Index	Inflation Percent	Index	Inflation Percent
1975	100.0	----	----	----
1976	111.5	11.5	----	----
1977	127.7	14.5	----	----
1978	136.6	7.0	----	----
1979	156.0	14.2	----	----
1980	173.3	11.1	100.0	----
1981	192.5	11.1	107.7	7.7
1982 (until 31 August)	203.1	10.6	114.6	6.4

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CSO: 4404/563

## NEW REGULATIONS AFFECTING SOCIAL SECURITY BENEFITS

## Insurance Director Describes Changes

Kuwait AL-WATAN in Arabic 25 Jul 83 p 5

[Text] The director general of the General Social Insurance Organization, Hamad al-Jaw'an, stated that the proposed amendments to some provisions in the social security law will not affect the rights of workers, government employees and military personnel but rather will introduce new elements into the salary on whose basis retirement pensions are computed, such as allowances and raises.

He said that the draft of the proposed amendment law is one stage in the execution of the organization's plan to develop the social insurance system in the direction of implanting its positive aspects and increasing its ability to achieve the goals desired of it in the circumstances which preceded the policy of asceticism.

The director general of the General Insurance Organization was thus responding to the declaration issued by the Kuwait General Federation of Workers on the amendments which have been made in some provisions of the Social Insurance Law.

In his comments, the general social insurance director stated that the Kuwait General Federation of Workers had issued a statement opposing the draft law amending some provisions of the Social Insurance Law, as far as the contents of this draft related to the computation of pensions and retirement compensation on the basis of the average salary during the final 5 years of the insured person's work were concerned.

He pointed out that in opposing this amendment, the federation had based itself on the fact that it directly infringed on the rights of workers, government employees and military personnel and that the federation had not found reasonable justification for such an amendment, other than the asceticism and guidance of spending that was announced with regard to it.

He stated that the organization wished to clarify the following matters:

The draft proposed by the board of directors on some amendments to the Social Insurance Law did not have the goal of infringing on the rights of workers, government employees or military personnel; rather, totally to the contrary, it had the goal of increasing these rights.

One of the important new benefits the draft contained, which does affect a large segment of the citizens, is the introduction of new elements on whose basis retirement pensions are computed into the salary. These are certain allowances and raises in the government sector, such as the nature of work allowance, encouragement raises and the like. The draft also contains a new way of handling maximum salaries in the private and oil sectors, with the goal of realizing a unified maximum for all insured persons, in the government or the private and oil sectors.

The director general of the insurance organization pointed out that the amendment to which the federation statement was confined was set forth to cope with the negative effects that might arise from these benefits if the situation remained uncontrolled by rules, especially as regards the continued service of Kuwaiti manpower and its preference for early retirement, in order to benefit from the new benefits which would be added to the salary. The draft, in choosing the period on whose basis the average salary would be considered to be the equivalent of the pension, has shown care to make that compatible with the period the current rules spell out, as stated in the insurance law; these are rules which are in effect in the private and oil sectors.

He stated that the conclusion the federation statement contained could not have arisen had the federation taken the trouble to study all the amendments contained in the draft law from the standpoint of their interconnection on the basis of an integrated program. The fact that the statement restricted itself to a single one of these amendments only is like a person who is content with reading just "do not approach prayer" in the holy verse.

Al-Jaw'an stated that the draft law was one of the stages of execution of the plan the organization had prepared to develop the social insurance system in the direction of deepening its positive aspects and increasing its ability to realize the goals desired of it in the circumstances which preceded those which the statement referred to as the policy of asceticism. It is the plan which was presented to the National Assembly in the early part of the current legislative session in 1981, which makes it entirely farfetched to give the federation a reasonable justification to view such a draft in the light of this policy.

Al-Jaw'an described the social insurance system as being distinguished by an insurance capability which had not yet been realized by many countries. He said that it had realized many gains for citizens and that the organization had the desire to add more of these, not reduce them, by constantly reviewing and examining this system, in order to ascertain that it was meeting the goals for which it was put into law, in order to achieve greater insurance rights and care for the insured.



The director general of the organization expressed his hope that the authorities' discussion of the drafts of the bills presented would help enrich its goals and assets, and stated that the organization, proceeding from this premise, was anxious to inform the citizens of this draft, including all its amendments and explanatory memoranda, through a brochure so that it would in itself be a deterrent to any ambiguities or misunderstanding.

#### Draft Insurance Law Amendments

Kuwait AL-WATAN in Arabic 25 Jul 83 p 5

[Text] Yesterday the Social Insurance Organization distributed the draft of a law amending certain provisions of the Insurance Law and the Law on Pensions and Retirement Benefits for Military Personnel.

The amendment contained four articles. The first dealt with salaries with respect to insured persons in the government sector and the private and oil sectors. Article Two addressed itself to the amendment of Article Eight of the Law on Pensions and Retirement Benefits for Military Personnel, while Article Three dealt with the computation of monthly average salary, and the fourth was confined to executive measures. Here is the text of the amendment and the explanatory memorandum to it:

Article One. Paragraph M of Article One and Articles Two, 19, 26, 85 and 86 of the abovementioned Social Insurance Law will be replaced by the following texts:

#### Article One. Paragraph M. Salaries:

With respect to insured persons in the government sector:

That will be the base salary in addition to the allowances and raises which are determined by a decree issued by the minister, after agreement of the board of directors.

With respect to insured persons in the private and oil sectors:

That will be the wage in accordance with the provisions of the abovementioned Law 38 for 1964, provided that if the work was for no wage, or for a wage which was below the level determined by decree of the minister after agreement by the board of directors, this limit will be computed in application of the provisions of this law.

Article Two. In applying the provisions of Paragraph M of the preceding article, the salary will have a maximum level which will be determined by decree of the minister following the agreement of the board of directors. This maximum may be amended only pursuant to a change in the salary level stipulated in the abovementioned paragraph.

Article 19. A monthly retirement pension will be received, amounting to 65 percent of the average monthly salary of the last 5 years computed as eligible for insurance, for the period of participation computed within it,

which will total 15 years, in addition to 2 percent of this average for each year in excess of that, up to a maximum of 95 percent of the last month's salary.

The period on whose basis the average monthly salary stipulated in the preceding paragraph is computed will be lowered to 1 year in cases of termination of service because of death, total disability or attainment of age 60, and in the cases stipulated in Subsection Two of Article 17 of this law.

Article 26. Bonuses will be computed at a rate of 10 percent of the average monthly salary of the past 5 years, computed as eligible for insurance, for each month of the first 5 years of participation, on condition that they not amount to less than 1 year, at the rate of 12 percent for each month of the following 5 years, 15 percent for each month of the following 5 years, and 20 percent for each month of the years of participation in excess of that.

Article 35. The dues that employers in the private and oil sector pay and the dues that are deducted from the wages of the insured persons working for them will be paid in full for the month in which they begin but will not be paid for the part of the month in which they end.

In computing the monthly salaries of the persons who do not receive their salaries on a monthly basis, the working days in the month will be set at 30, except for persons who are not paid salaries for weekly days off. The number of working days will be set at 26 per month.

Article 86. The dues the employer pays and the dues deducted from the salary of the insured will be computed on the basis of salary every month.

Article Two. The text of Article Eight and the first paragraph of Article 11 of the abovementioned Law on Pensions and Retirement Benefits for Military Personnel will be replaced by the following two texts:

Retirement pensions will be received monthly at the rate of 75 percent of the average monthly salary of the past 5 years, calculated in accordance with this law, for the period of service computed within it, which will come to 15 years, increasing by 2 percent of this average for each year in excess of that, up to a maximum of 100 percent of the last month's salary.

The period on whose basis the average monthly salary stipulated in the preceding paragraph is computed will be reduced to 1 year in cases of termination of service mentioned in Subsection One of the previous article, or because the beneficiary has reached the legally stipulated age for leaving the service.

However, in the cases of termination of service stipulated in Subsection Three of the abovementioned article, or transfer to pension on the basis of a request the beneficiary submits before reaching age 45, he will be entitled to a monthly retirement pension at 65 percent of the average referred to in the first paragraph for the service period computed in accordance with this law, which comes to 15 years, increasing by a rate of 2 percent of this

average for each year in excess of that, to a maximum of 95 percent of the last month's salary.

Article 11, Paragraph One. The beneficiary will be entitled to retirement benefits in cases when retirement pensions are not to be paid out, and these will be computed on the basis of a month and a half of the average salary referred to in Paragraph One of Article Eight of this law, for each of the first 5 years of service computed in accordance with this law, then on the basis of 2 months for each of the following 5 years, [and] at a rate of 2 months and a half for each year in excess of that.

Article Two [sic]. In computing the monthly average salary on whose basis the retirement rights of the insured persons or beneficiaries are calculated, the salary on whose basis these rights were computed before the date this law went into effect will be considered to be the average monthly salary for the periods preceding this date.

#### Government Employees Reject Amendments

Kuwait AL-WATAN in Arabic 25 Jul 83 p 5

[Text] The union council of the Federation of Unions of Public Sector Workers and Employees gave total support to the Kuwait General Federation of Workers' statement on the proposed amendments to certain provisions of the Social Insurance Law.

In a statement it issued yesterday, it stated "The board of directors of the Social Insurance Organization surprised us with its two significant amendments to Article 19 of the provisions of the Social Insurance Law, regarding the computation of retirement pensions, and Article 26 bearing on the computation of end of service benefits.

"In this regard, the Federation of Unions of Public Sector Workers and Employees, with its nine unions, would like to assert its absolute support of the Kuwait General Federation of Workers in everything stated in its statement of 21 August 1983 issued in this regard, in which it asserted the illogicality of the decree of the board of directors of insurance and its idle talk about the gains of copious groups of workers and employees who have given up the best years of their lives as a price for this country's progress and development, and it does not agree that they should be paid evil for good."

The statement said that the Federation of Unions of Public Sector Workers and Employees, which is experiencing the daily sufferings of its workers in facing the rise in costs of living resulting from the increase in prices and the rise in housing and transportation rates, without the necessary matching improvement in wages, sees, in the Social Insurance board of directors' decree, a sorrowful end to the lives of the workers which warns of a gloomy fate for them and the generations that follow them. The statement went on to say that if the government, as embodied in the decree of the board of directors of the Social Insurance Organization, wanted to guide spending to save the country's economy, it should be basically concerned to stop all

...of heavy spending and hold all adventurers and speculators who have manipulated, or are manipulating, the resources of this country to account.

In the conclusion of its statement, the executive board urged the government "Abrogate this decree, in order to protect the citizens who are our workers and the loyal masses of our people and to realize their rights and appreciate their efforts and struggle."

#### Draft Amendment Explanatory Memorandum

Uwait AL-WATAN in Arabic 25 Jul 83 p 5

[Text] The emir's order issued Law 61 for 1976 issuing the Social Insurance Law, proceeding from the stipulation of Article Seven of the constitution that cooperation and mutual compassion are a firm bond among citizens, and the stipulation of Article 11 that the government will guarantee aid to citizens in case of old age, illness or disability and will provide them with social insurance, social aid, and health care services.

By virtue of this law, a start was made in October 1977 in applying old age, disability, illness and death insurance for people working in the government sector and the private and oil sectors. This insurance was then extended to include military personnel by Law 69 for 1980.

In accordance with the provisions of the abovementioned Social Insurance Law, in applying the provisions of the Social Insurance Law a minimum and maximum have been set on salaries which will apply to insured persons in the private and oil sectors. The law also permits the minister, after receiving the agreement of the board of directors, to change the minimums and maximums on salaries pursuant to changes in salary levels in the government sector, while the elements of the salaries in this sector have been set at four (base salary, the social raise, the cost of living raise, and the transfer raise), and these elements have become the normal maximum for salaries in the government sector.

After constantly examining the social insurance system, to ascertain that it is meeting the goals for which it was passed into law and that it is keeping abreast of the changes that are arising in society, especially those related to the levels of wages and salaries, the changes that have occurred in those, and the changes that are anticipated in them in the light of the stipulations of Law 49 for 1982 regarding increases in the salaries of civilian employees and military personnel and retirement pensions and the need to review the level of salaries and retirement pensions every 2 years at most, in the light of increases in living expenses, it has become necessary that the maximum salary be dealt with in accordance with an integrated platform which will deal with the maximum in accordance with the technical bases of the system. These make it mandatory that this treatment be extended to the elements of salary in the government sector, the method for computing retirement benefits, and matters attendant on that, with respect to dues, so that the treatment may be realized in the manner that has been outlined in developing the system in a manner which will bring about further insurance care and will not produce negative results in the economic and social contexts.

Since the situation required that amendments be made to the Social Insurance Law and the Law on Pensions and Retirement Benefits for Military Personnel in a manner that would achieve the above goal, the draft of the accompanying law was prepared, substituting some articles in each of these two abovementioned laws through Articles One and Two of the draft, while including a transitional provision in Article Three, with the provision that these amendments go into effect on the first of the month following the passage of 6 months from the date of its publication in AL-JARIDAH AL-SAMIYAH, in execution of the provisions of Article Four of the draft.

In accordance with this draft, the stipulation of Paragraph M of Article One of the Social Insurance Law has been amended to set the salary in the government sector at base salary in addition to allowances and raises to be determined by a decree issued by the minister after receiving the agreement of the board of directors, permitting the addition of other allowances besides those to which the current stipulations are restricted, namely, cost of living raises, cost of living raises and transfer raises, especially with the essential abrogation of the latter two raises from the public employment sector, with the result that their presence in the existing stipulation has become a form without substance.

In addition, Subsection 1 of the abovementioned Paragraph M has been amended in a manner leaving the determination of the minimum wage in the private and oil sectors to a decree issued by the minister, following the agreement of the board of directors, with no need to specify the size of the minimum in the law itself, while leaving him free to amend this decree as stipulated in the current law.

The draft does not consider it necessary to specify the minimum salary in the government sector, considering that such a minimum is guaranteed by general employment laws and statutes, contrary to the case in the private and oil sectors, since Law 38 for 1964 regarding work in the private sector and Law 28 for 1969 regarding work in the oil activity sector fail to specify the minimum wage in these two sectors.

Pursuant to the amendment made in Paragraph M of Article One of the Social Insurance Law, there is no longer any need to specify the provision bearing on the amendment of the minimum in Article Two; the amendment to this article is confined to the specification of special provisions on the maximum salary, considering it to be a unified maximum which applies to all sectors, government, private and oil, determined by decree of the minister of finance following the agreement of the board of directors, and can be amended only pursuant to change in the salary level.

Thus the draft in this field has taken the necessary steps to realize the concept of insurance on incomes to the greatest possible extent.

The amendment to Article 19 of the Social Insurance Law has been made to strike a balance between the benefits the amendment creates in the elements of salary and the maximum, and the increases that have occurred in the cost of pensions and other retirement rights, so that the system will not depend for its financing on the dues insured persons and employers have to defray,



which are not in themselves sufficient to finance the retirement payments, the State stipulates, but will depend, rather, to a large degree, on an equal government contribution totalling 10 percent of the salaries of the insured persons in all sectors, and also on solidarity of the insured in financing it in accordance with the principle of mutual social responsibility.

The amendment to the provisions in Article 19 of the law is being made while the foundation of the entitlement to pensions is retained, in accordance with the periods that are stipulated now (or, in some cases, these periods are assumed), and in accordance with the percentages by which the retirement pensions are computed. The amendment deals with salaries on whose basis the retirement pensions are computed by considering them the average monthly salary in a specific period rather than the final salary.

In choosing the period on whose basis the average is to be computed, the draft has been careful to make it conform with the period determined by the rules stipulated in Paragraph Two of Article 19 of the law, before its amendment. These are the rules that stipulate the period of 5 years in which the average salary is to be computed in the private and oil sectors, although in consideration of cases of termination of service because of injury, total disability, health reasons or advanced age, which is 60, which is considered the age stipulated [by] law for leaving services as far as non-insured persons are concerned, the draft considers that the average, in these cases, should be computed on the basis of the last year computed in the insurance. The provision bearing on these cases goes back to the basis on which the social insurance system is founded, which is to provide pensions for everyone who is affected by old age, disease or disability or families which lose their source of sustenance, since in these cases pensions are considered an alternative to incomes and represent the real protection which the insurance guarantees. The special provision in accordance with the considerations on which it is based does not conflict with the assistance this amendment will provide in maintaining the Kuwaiti workforce, and as a result raising the maximum will not lead to encouraging insured persons to terminate their service through early retirement in order to benefit from the new maximum, since, in such cases as specified by the law through a special provision, no such fear arises.

The text of Article 26 of the Social Insurance Law has been amended so that its amended form may be in keeping with the amendment of Article 19 of this law and so that it will be feasible to compute retirement benefits on the basis of the abovementioned average over the course of 5 years, while replacing the computation of annual salary by computation of monthly salary, for the purpose of simplifying the process.

The amendment deals with the method for computing the dues stipulated in Articles 85 and 86 of the Social Insurance Law, since the salary on whose basis the dues were computed was set on the basis of the salary to which one was entitled on the first of the month of January, in the case of insured persons in the private and oil sectors, while, with respect to the insured persons in the government sector, these were computed month by month. The draft of the law has adopted a new rule, based on equality among insured

persons in the three sectors, where the dues will be computed month by month, in view of the benefit this rule will bring about for insured persons relative to any change that might occur in salary during the year when retirement benefits are computed.

Article Two of the draft deals with the necessary amendments regarding the Law on Pensions and Retirement Benefits for Military Personnel. This includes Article Eight and Paragraph One of Article 11 of this law, in a manner that is in conformity with the provisions made for people subject to the stipulations of the Social Insurance Law.

Article Three of the draft requires that the salary on whose basis retirement benefits are computed before the date on which the amendment that has been presented goes into effect be considered an average of the monthly salary for the period preceding that date. One result of that is that the pension to which one is entitled on the assumption that the service of the insured person or the beneficiary has ended is the same pension to which one would be entitled on the basis of the rules that prevailed before it went into effect.

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SA'IB SALAM INTERVIEWED ON POLITICAL SITUATION, PARTITION

Paris AL-MUSTAQBAL in Arabic No 338, 13 Aug 83 pp 16-19

[Interview with Sa'ib Salam by Ghassan Bayram: "Comprehensive Interview With Sa'ib Salam. Yes--Lebanon Will Continue To Be, and Its Partition Will Lead to the Partition of the Area"; date and place not specified]

[Text] My position outside the government now is stronger than it would be if I were in the government. We hope that the Arabs will be aware this time that any flaw in Arab policy will drag Lebanon into an abyss along with many of these countries.

The National Salvation Front is ruled by known geographic and political conditions.

The call for a national conference seems impossible now because of the existing geographic partition, which permits our meeting in one place.

Rallying around the government, despite some faults, is better for Lebanon than opposition under these circumstances.

Where does [former] Prime Minister Sa'ib Salam stand today on what is happening in the Lebanese arena?

For sometime now there have been whispers about changes that have come over the stand of the Lebanese Muslim leader toward President Amin al-Jumayyil's regime. But those who engage in such unknowledgeable whispering have failed, it seems, to truly understand Sa'ib Salam in this difficult and fateful phase in Lebanon's life and in the history and cause of the Arab area. This misunderstanding is due to the inability of some to distinguish between Sa'ib Salam's ability and skill in objecting to this or that behavior or in opposing some practices, on the one hand, and his continual support for the march toward salvation and rescue led by President Shaykh Amin al-Jumayyil to extract Lebanon from this difficult historic dilemma, on the other hand.

In this interview with Sa'ib Salam, there is more than one attempt to reveal the opinions and stands of Sa'ib Salam on the regime and its policy, on the opposition and its positions, on the American role and on other issues linked to the Lebanese situation, which is exposed to occupation from all quarters.

[Question] We began our interview by asking former prime minister Salam: "After 10 months of President Amin al-Jumayyil's rule, and after the circumstances that have affected Lebanon internally and externally, where does Sa'ib Salam stand today?"

[Answer] Ever since I started practicing politics in Lebanon, I have always been oriented in my general work toward the national aspect, which is often different in Lebanon from political practices elsewhere. Now that we have been going through a rough ordeal for the last 8 years and are seeking salvation and a return to somewhat normal conditions, all my concern is directed toward working within the legitimate government to achieve salvation for Lebanon. I am firmly convinced that Lebanon can only be saved through the government. Therefore, you see me building my stand toward President Amin al-Jumayyil and toward government rule as a whole by supporting the legitimate government. If things were normal in Lebanon, I would have allowed myself to concentrate on some issues that public opinion and the Muslims are not satisfied with and to oppose the government on them. But today, I am compelled to go by the principle that "he who has sailed the sea has no regard for the rivulets." This does not mean that I ignore some practices of the government, with all its many agencies, nor do I ignore the faults, some of which have been inherited and have become aggravated by the entangled interplay during recent years and others that are a by-product of these years. I do not allow myself to stir up the latent dissatisfaction that I sense in the public, which perhaps does not differentiate between public opposition in such circumstances and what this opposition can lead to and the weakening of the government, the only refuge we have today.

[Question] Can we stop, even briefly, to examine these issues that you have pointed to?

[Answer] It is known to all nations that any country that finds itself in a foreign confrontation cannot oppose such confrontation if its internal front is not sound and strong. This front in Lebanon has been truly shaken during these 8 years because of many factors, some which are internal and others of which are external conflicts in the Lebanese arena. Therefore, it is very difficult for the internal front in Lebanon to be as steadfast as it should be. Despite all the trials and tribulations suffered by all of the Lebanese people, the great majority of them, in the end, seeks peace and urgently strives for cooperation on the internal front in an unprecedented way. Therefore, I have depended on the signs of this steadfastness and have worked to strengthen it. I am sorry to say that external conflicts are still destroying the Lebanese arena and, unfortunately, the source of these conflicts often is some Arab countries. Everyone knows that I have frequently said that the Arab countries are virtually divided

two parts: one part working against Lebanon to the end; and the other part not on our side were it not for some positions and appreciated and generous initiatives from Saudi Arabia and from Egypt, which undoubtedly have broken the back of the Arabs and Pan-Arabism and broke Lebanon's back the day it was isolated from the Arab countries. Saudi Arabia is the one that we can cling to today for support, be it with America or with other Arab countries or with the brothers in Syria in particular. Everyone knows that during the severe ordeal, the ordeal of the Israeli blockade, which we call "open hell," when lava was raining down on us from the sky and the sea and the mountain, and during the hunger and thirst we suffered because of the blockade, we repeatedly fell back on King Fahd, to awaken him from his sleep. Otherwise, we would have had no one in the Arab world to support us. Anyway, I go back to our internal situation to note that the practices of some government agencies such as the Deuxieme Bureau, the official media and military prosecution, etc., etc., which with others are the cause of sectarian discord in Lebanon. This is the primary, most sensitive matter in this country. Lebanon was built on harmony between Muslim and Christian and this is what was known as the national pact ever since independence in 1943. Without such harmony, the required Lebanese steadfastness cannot remain unchanged. In addition to those practices on the part of some heedless government agencies, Muslims complain about a Phalangist onslaught in the public sector which, to some, is Maronite hegemony that leads to more professional strife. My only recourse in this area is to draw the attention of the officials urgently again and again to the need to prevent this onslaught and its fearful consequences and to try to alert some Maronite brothers to the damage that could result. I have to point out that these faults I have mentioned are not condemned by Muslims alone but also by many sensible Maronites and other Christian sects with whom I maintain contacts.

[Question] Therefore, you agree to a certain extent with the rest of the groups who took the slogan of hegemony as an approach to oppose the rule in this phase?

[Answer] Not exactly. But I say again that the Lebanese situation and the difficult and delicate fate requires that the legitimate government be supported with great endeavors to correct the course of the rule and not by opposition, which opens the door for undermining Lebanon's interest. I shall maintain this stance as long as I have hope of correcting the march.

[Question] Speaking of hegemony, it is known in Lebanon that every new president seeks the help of his close friends and of those whom he trusts and cooperates with, so how can President al-Jumayyil be blamed today if he belonged to the Phalange Party originally and if some or most of the people he brought with him are party people or his friends?

[Answer] This method has been one of the tragedies of past regimes and has resulted in considerable harm, even in ordinary times. It is not in anyone's interest that this be the method of the government in the present circumstances because the Lebanese want the president of the republic, the president of Lebanon, to be for all of Lebanon. This is what President Amin al-Jumayyil has committed himself to and is working for.



[Question] Let's go back to Prime Minister Salam's position in this phase. Where do you stand on the opposition declared by [former] President Sulayman Franjiyah, [former] Prime Minister Rashid Karami and Mr Walid Junblatt in the framework of what is being called the National Salvation Front?

[Answer] I am hoping and am making assiduous efforts to see that this opposition does not go too far and that it is able to repair the rent in order to correct the course and to unite some of the knots, even if only one knot at a time, including the mountain knot, which I consider the key to many of the issues. In my personal opinion, there are a lot of flaws in this front, unfortunately, but I cannot put all the blame on it. For example, yesterday we were at the parliament and one of them, an eloquent speaker who controls a bloc in parliament and who was overcome by impassioned emotions or got carried away, as they say, stood up and accused those brothers, and perhaps Syria as well, of treason. I immediately and openly rejected that, so he apologized to me for what he had said. Perhaps I blame this "front" more than he does, perhaps I blame the brothers for some of their practices more than he does, but I cannot allow anyone to describe those brothers and Syria as traitors in my presence.

[Question] How do you describe your censure of the National Salvation Front?

[Answer] President Franjiyah is in Zagharta and the north and we must look at this division through the existing reality. Mr Rashid Karami is in Tripoli and everyone is aware of all of the conflicts that still exist there, some of which make the heart bleed and the most recent of which was the tragic explosion yesterday that claimed many innocent lives. Hence, Franjiyah and Karami are not completely free in what they are required to do. Let's go back to Walid Junblatt. He has a presence in the mountains and his being is in the mountain. The situation in the mountain is a Druze situation. Every Druze in the mountain--man, woman and child--is in one position. Those Druze brothers, we must understand their position and how we should deal with their situation. It is not enough for us to say that the socialists are fomenting this or that, and I can't take sides if I want to settle the mountain question, which is the key for all of Lebanon, and I should not make enemies with Walid Junblatt. I should settle it with all of the Druze brothers. Here I would like to point out something important to that group of "Lebanese forces" who went to the mountain after Israel came in. They did not come from the mountain. They came from a group outside the mountain and they are the radical faction of the "Lebanese forces" who went to the mountain on the pretext of protecting the Christians. But battles followed one after the other, disasters and heavy losses came one after the other and bloodshed and killing and destruction also went on uninterrupted. Others burned, destroyed and wrecked havoc, too, so I do not absolve any one of blame. Israel was instigating both sides and that's what got us where we are now and to this difficult problem for which we are trying to find a cure. Thus, in Lebanon, one cannot blame one group and not the other. Today, I wish I could have a dialogue with President Sulayman Franjiyah and Prime Minister Rashid Karami, and I wish that, by this dialogue, I could arrive with them at a unified position. But it seems that their situation does not permit it.

[Question] There are those who have nominated you to play the role of mediator between the government and the National Salvation Front.

[Answer] Personally, I have not for one day or one hour stopped my endeavors to do just that. But I do not accept the word mediator because I am not a mediator. I am one who has a country and who has an interest. I feel that this is my brother and that is my brother and I don't want to alienate either. It would be easy to tell one of them that "you are right" and the other that "you are wrong." But, no, we are all wrong and we must realize that our solidarity and understanding are the starting point for Lebanon's existence. Neither America nor any other friendly Arab country can champion it. Calling in the Arabs is not acceptable, for when I see the many damaging and harmful actions of our Arab brothers in Lebanon, which have gone on for many years and some of which are still going on, I cannot allow myself to call in the Arabs. This is what I would like to draw the attention of our Christian brothers, the Maronites in particular, to; and I would like to ask them if it is in Lebanon's interest, the Maronite interest in particular, to make enemies of the Arabs. I say no. We shall remain, historically, geographically, economically and in the future, in need of cooperation, fraternity and ties with the Arabs.

[Question] As for the leaders of the National Salvation Front, do you have any intention of contacting them? And to what extent do you think you will succeed in this attempt in our present circumstances?

[Answer] I cannot contact President Franjiyah and I wish I could contact Prime Minister Karam. There are some possibilities for contacting Mr. Walid Junblatt and I shall not fail to do that either in Europe or here. I shall go on until I see if and make sure that there is a possibility to deal with the mountain issue which has become, as I have said before, a key in Lebanon, especially in the wake of Israel's decision to withdraw, and it will withdraw soon. Perhaps one purpose behind its withdrawal is to create discord on the mountain, and we must try to prevent that. Both Druze and Maronite must realize that. Unfortunately, I call that the "mountain syndrome," which neither the coastal people, the people of the north nor the people of the south, not even the people of Beirut, can comprehend.

There is a "mountain syndrome" of historical residue between our Druze and Maronite brothers that we must take into consideration; there are deep-rooted sensitivities that we must overcome, and all sensible people understand what we are saying to them. We must use the minds of the sensible people to arrive at points that will eliminate this difference and prevent the discord that the Israelis wish to see.

[Question] While you were outside Lebanon, it was mentioned that you received an invitation from Syria to visit Damascus. Is there a possibility of responding to this invitation? And do you think that a visit under these circumstances would lead to positive results beneficial to Syria and its relations with Lebanon?

[Answer] I can't go into details, but I can sincerely say that today, as always in the past, I am ready to visit any Arab country, visit any country in the world, if I thought it would benefit Lebanon. So, how about an Arab country? And how about the closest brother, Syria? I am ready to do that without delay when there is something to be gained. You may have heard me calling from the parliamentary rostrum and in the press and on TV for the need to open our hearts to Syria and to extend our hands to Syria and to keep our relations friendly so as to cooperate with Syria. This is my course.

[Question] Why then didn't you take the initiative and accept the invitation to visit Syria?

[Answer] Any time this proves to be of benefit, you can be sure that I will not hesitate one moment.

[Question] Let's go back to the agreement with Israel. Where does Prime Minister Sa'ib Salam stand on this agreement after Israel has violated its spirit? And, if this agreement were to be returned to parliament, what would be your position on it?

[Answer] There is the government's publicly adopted position that an Israeli partial withdrawal, if not linked to a total geographic and timed withdrawal, means that Israel has violated the agreement and, consequently, the government would be compelled to consider it null and void. There is no need to discuss that again in parliament, and, as is well known, the agreement has not been finally ratified by the Lebanese side so far and is not yet considered to be in force.

[Question] You say that partition in Lebanon is a reality and a fact, but what attracted attention was that some American, European and international major newspapers and magazines simultaneously dealt with the subject of partition as though that's where we are ultimately headed or as though it has become a fact of life. This climate being created by those newspapers, is it the reflection of an international strategy aimed at getting rid of Lebanon or is it just a matter of intimidation and browbeating?

[Answer] It is certain that what is being broadcast by the media is a strategy that is being promoted and kindled by some parties, led by Israel, of course, and its Zionist influence in the international media. This has been known ever since the establishment of Israel. Partition is a de facto matter today and what we are seeking to achieve today is a reunification of all areas and citizens in order to give Lebanon back its integral entity. I am one of those who say that Lebanon shall continue to be, and if it was to be partitioned, God forbid, the whole area would also be partitioned as a result. The Arabs must be truly aware and must reflect on what is being issued by official sources in Israel and by Israeli strategic researchers. I particularly wish that the brothers in Syria would take this into consideration in their short-term and long-term strategy.

[Question] After your visit to Washington and your meeting with President Reagan as the personal representative of President Amin al-Jumayyil, you were back very optimistic, but now you are the opposite. Do you think that America is unable to effect a unilateral solution and to rescue Lebanon, or has it decided to delay such a solution until after the presidential election?

[Answer] No matter how difficult things get, I will not allow myself to lose my optimism in my endeavor to rescue Lebanon. For should I be overcome by pessimism, then I must shroud myself and die. Yes, there were some circumstances that called for optimism in the wake of the Israeli pullback from Beirut. But due to the subjugation of American policy to Zionist influence, the opportunities began disintegrating and America's credibility began losing ground, thus rendering the present situation very different from what it was at the beginning of the current year. What made things worse is the forthcoming presidential election in America and the intensified Zionist influence on U.S. officials that such elections entail. What I have said about the emergence of the partition strategy in the Western media is nothing but a reinforcement of the underlying Israeli strategy.

[Question] You have said, "Yes, Lebanon shall return." But now are you talking about the subjugation of American policy to Zionist influence. Does that mean that Lebanon's return will be delayed or that the return is but a bet that could be won or lost?

[Answer] Yes, it is a bet on the internal front's steadfastness first; on Arab awareness of the perils surrounding them second; and third, Zionist pressure notwithstanding, America must guarantee its interest, not only in Lebanon alone but in all the Arab countries from the Atlantic to the Gulf. It is obvious that we should hold on to this bet for dear life and work at the same time to make it valid and successful.

[Question] A recent development that led to the replacement of Philip Habib by the new envoy, MacFarlane, has been given many interpretations. What, in your opinion, is required of the new American envoy at this specific time, and why has he come to the area?

[Answer] The fact that MacFarlane, President Reagan's right hand, has been assigned to this mission is somewhat encouraging with regard to the bet I have mentioned and which can only succeed with the presence of the last two factors. Again and again I would like to cling to optimism and not turn to pessimism as has been done by some Arab writers who compare MacFarlane's mission to the "dish of pebbles" discovered by 'Umar Ibn al-Khattab.

[Question] What, in your opinion, are the dimensions of the existing conflict in al-Biqa' and the north? And how does it affect the Arab position and the organization's [the PLO] fate?

Answer. This conflict has a direct effect on the Lebanese situation just as it has on the Palestinian situation. This is part of the framework of what I mentioned about appealing to our Arab brothers to be aware of the perils of the phase and to be alert to its consequences. Once again, I call on our Syrian brothers, as I have repeatedly done before from the parliamentary rostrum and in the press, and us to open our hearts and extend our hands lovingly and fraternally, to cooperate to save Lebanon and, consequently, the rest of the Arab countries, the Palestinian cause and Syria in particular. Likewise, I call on the Palestinian brothers to be aware of the higher interest of the Palestinian cause by not allowing the partition of Lebanon. I have every right to say that, despite the practice of our Palestinian brothers in Beirut and the south and in the Lebanese arena in general, especially during the heated 3 months of last year when we were resisting the brutal aggression and the deadly blockade so that they could be safe. We succeeded in the end because the resistance leaders left Beirut in full glory and as political victors in order to continue with us the struggle for the sake of this cause. Any flaws in the development of the situation will plunge the area, through Lebanon, God forbid, into an inferno that only God can save us from.

[Question] One last question, Mr Prime Minister. You say that present circumstances do not help in discussing the subject of national reconciliation. If this is the case, and if the situation requires a rescue operation, and if you are asked to form a rescue government, would you respond to the call?

[Answer] This is a matter of personal judgment. If I had wanted to take over the government in Lebanon, I would have given in to the huge pressures that have been exerted ever since the new regime came to power. But today I feel that my presence outside the government is in Lebanon's national interest. As for national conciliation and working for it through what one calls a national convention, I call for a dialogue between all responsible leaders; but I don't see how a national convention can be held in light of the existing geographic partition that stands in the way and in light of the occupation that some areas and leaders are being subjected to.

1550  
12/11/76



INTERNAL SITUATION VIEWED IN LIGHT OF PARTIAL WITHDRAWAL

Kuwait AL-QABAS in Arabic 3 Aug 83 p 14

[Article: "Beirut Report: To Face the Option of Partial Withdrawal; A Plan To Find Common Denominators for National and Political Reconciliation"]

[Text] In the session held by the Lebanese cabinet and devoted to the review of the outcome of the president's visit to the United States and France, official information highlighted the text of the opening speech by the president of the republic at the session.

Official information focused in particular on President al-Jumayyil's pronouncements welcoming "constructive" opposition "within the constitutional, democratic and national framework," saying that "opportunities are available to every opposition to put forward its viewpoints in a national, free and sound manner."

Political observers in the Lebanese capital concentrated on what President al-Jumayyil said in the cabinet meeting in this regard for several reasons, a few of which are:

First, President al-Jumayyil had adopted a harsh negative stance toward such opposition, describing it in Washington as an air-borne opposition that was nothing more than soap bubbles.

Second, the presidential welcome came less than 48 hours after the Lebanese delegation's return from its American-French visit and less than 1 week after its violent assault on the National Salvation Front and on Syria.

Third, official sources suggested through the information media that the visit to Washington was more than successful and that its positive fruits would soon ripen. Consequently, there is no need to seek the help of internal opposition to support his efforts in the face of obstacles blocking such efforts.

It was said that this transformation could be the result of President al-Jumayyil's realization that his campaign against the National Salvation Front was out of place, so that its negative efforts would outweigh its positive effects.

It was also said that internal reaction to this assault carried more weight than expected by the president of the republic and those who had advised him to stand up to the National Salvation Front and to deflate it before it spread in the Lebanese body, thus gaining strong influence and position.

#### Between the Two Palaces

It was also said that perhaps President al-Jumayyil had heard at the White House in Washington and at the Elysee Palace in Paris statements that prompted him to hasten his attempts to extend a hand toward the internal opposition, especially since officials in both palaces had expressed interest in the subject of Lebanese internal front unity that surpassed their interest in any other subject raised by the Lebanese president.

Just as the White House urged the Lebanese presidential delegation, prior to its arrival in Washington and during its stay there, to strive to unify internal ranks and achieve political reconciliation among all the various Lebanese political sides and leaders because this is the strongest weapon the government could use to surmount the many difficulties standing in the way of rescue efforts, so did the officials at the Elysee who openly declared to the Lebanese Government and to all Lebanese officials who contacted them recently that France, which treats all Lebanese equally, can offer no diplomatic or political aid to the government in view of the internal schism.

Moreover, French Foreign Minister Claude Cheysson replied to questions being raised in diplomatic circles about France's reaction to the Lebanese Government's request that French forces fill the security vacuum in areas being vacated by Israel by saying that the French Government is ready to meet the Lebanese Government's request when it confirms that Lebanese policy for these areas is in full agreement that the Lebanese Army and the multinational forces replace the Israeli Army.

Apart from what has been said, official information also talked about a plan prepared by the president of the republic to unify the internal front. This report said that in the wake of the cabinet session, he assigned a number of officials, aides, advisers and ministers to begin a series of contacts with Lebanese groups with a view to consulting with the country's chiefs about the steps that must be taken to face difficulties obstructing the withdrawal of foreign forces from Lebanese territory.

#### Difficulties

This report explained that this decision was adopted in light of the outcome of President al-Jumayyil's visit to Washington and Paris, which not only brought to light the difficulties facing full withdrawal but demonstrated as well the government's great need to unify Lebanese internal ranks in order to pursue the option of partial withdrawal and the attendant negative consequences with respect to Lebanon's destiny, especially in light of the continued conflicts and disagreements which have recently intensified to the extent of enabling foreign forces to take advantage of them and use them against all ongoing efforts to save Lebanon.

This report also said that the government, while awaiting American efforts on the diplomatic front and through the new working team formed under the leadership of Robert McFarlane to accelerate arrangements for the total withdrawal of non-Lebanese armies, in view of the seemingly irremediable problems facing this mission, may have to take necessary steps before the outcome of this effort is known, so as to spare the country the perils of partial withdrawals.

Notwithstanding the admission by government people that internal differences have become aggravated during recent weeks, thus making it difficult to resume the dialogue and to bring viewpoints closer together, the government believes, on the contrary, that the many imminent dangers to the national destiny stemming from the partial withdrawal are an important incentive for consultation, for persuading all sides to unite their efforts for the sake of fortifying the Lebanese house from within and for putting aside peripheral differences and sensitivities unleashed by the events that followed the Israeli invasion and by the behavior of some Lebanese elements.

Prior to the adoption of this decision, a debate ensued in a closed meeting President al-Jumayyil held at the summer presidential palace in Bikfaya dealing with the various anticipated possibilities on the internal level in light of Israel's implementation of its special decision on a partial pullback to the northern boundaries of the city of Sidon.

The participants in this debate noted that the promises made by the U.S. administration to the Lebanese president in this regard will not prevent the internal situation from coming to a head nor will they diminish the negative effects of the partial withdrawals, if such withdrawals are not closely followed by the establishment of a firmly aligned internal front that cooperates with the government to prevent the Israeli Government from achieving its basic objective behind the partial withdrawal of its forces from some Lebanese areas from the mountain and the Shuf.

#### Reconciliation

Those people advised the Lebanese president to abandon promptly some positions he had adopted under the influence of several political, internal and psychological factors and to hasten to establish contacts with the various Lebanese sides to find common denominators for political and national reconciliation.

President al-Jumayyil was told that keeping the internal situation divided and splintered limits the effect of any outside assistance, particularly since Israel realizes the value of this situation and its influence on these efforts and is always working to deepen the chasm between the Lebanese and their government.

Although the parties commissioned by President al-Jamayyil have drawn up an intensive plan for embarking on their contacts and consultations with Lebanese notables and sides, some of them feel that such contacts need time before they can yield the returns for which the government is striving, for the following reasons:

- A deepening of the dialogue for the sake of reaching a discussion concerning a political government requires that the obstacles be eliminated first, a very difficult matter in view of continued intransigence on the part of some parties who are cooperating with the government and are therefore supposed to offer all necessary help and facilities.

- Negotiations and consultations about the internal political situation must move in tandem with contacts aimed at realizing a firm and serious understanding that would aid in controlling the security situation on the mountain and in meeting direct security threats from the partial withdrawal, as well as in helping the army and the multinational forces fill the security vacuum in areas from which Israel has decided to withdraw.

- Discussion about some kind of political reconciliation through a political government does not mean the attainment of satisfactory results concerning the two matters in light of the government's adherence to some of its international, Arab and internal policies, theories and positions.

The opposition that has united within the framework of the National Salvation Front is not ready to enter the maze of national reconciliation under the continued auspices of the one party controlling policy or the continued policy of coercion and displacement being practiced by the Phalangist military force in some areas that belong to certain religious sects.

- The situation that Lebanon faces in the present and coming phases cannot tolerate delays, postponements or procrastination. Consequently, any positive moves on the part of the government on the internal level must have a minimum Israeli response, something that cannot be attained or even expected in the light of Israeli designs being carried out with a view to deepening the chasm between the Lebanese people and paralyzing the Lebanese state's ability to undertake attempts of unification.

- Furthermore, the positions adopted by the government toward the opposition in general and the National Salvation Front in particular will not be erased from the minds of the front's leaders simply by having the president of the republic express his conditional welcome to the opposition. Before entering into any negotiations, all these conditions must be abandoned and a clearly defined Lebanese policy must be drawn up on the levels of international and Arab relations and in particular on the level of relations with Syria.

The decision adopted by the National Salvation Front opposing the army's entry into the mountain area, should Israel carry out its decision to withdraw, before a national conciliation on firm and sound bases is achieved does not suggest that it, that is, the Salvation Front, is ready to join any dialogue with the government under current circumstances.

The government, in turn, does not seem able to overcome the obstacles being placed in its way by Israel and by the political and military commands of the "Lebanese Front." This has been practically reflected in the communique issued by the Socialist Progressive Party in reply to President al-Jumayyil's assault on the National Salvation Front.

In this communique, the Progressive Party warned against abrogation of the governing capacity of the president, who is able, by virtue of this position, to settle conflicts that arise among internal parties, so as to avoid making him a party to these conflicts.

These words were also voiced by former President Sulayman Franjiyah and former Prime Minister Rashid Karami and also by the chairman of the Amal Movement Command Council, lawyer Nabih Barri.

Therefore, and for all these reasons, the results of what the president of the republic said at the cabinet session will be decided on by the rapid progress of contacts begun by some official sides but rather by the speed of the practical positions adopted by the government.

12502

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EXTENT OF CHALLENGES TO CENTRAL GOVERNMENT DISCUSSED

Paris AL-MUSTAQBAL in Arabic No 339, 20 Aug 83 pp 24-25

[Article by Ghassan Bayram]

[Text] Walid Junblatt was violent in his defiance when armed elements from his party (Progressive Socialist Party) in al-Shuf detained three ministers from the cabinet of Prime Minister Shafiq al-Wazzan while they were on their way to a reconciliation meeting with Shaykh Muhammad Abu Shaqra, the paramount shaykh of the Druze sect, in the village of B'adran in al-Shuf. The Progressive Socialist Party chairman did not mean to undermine the status of Shaykh Muhammad Abu Shaqra, the religious leader of the Druze sect in Lebanon, when his party's armed elements detained the three ministers in front of the shaykh's house in B'adran and took them to al-Mukhtarrah Palace, the headquarters of Junblatt. But Walid Junblatt overlooked this consideration in order to send through this action a clear and unambiguous message to whoever is closely or remotely concerned with the mountain problem, especially President Amin al-Jumayyil--a message in which he wants to say that ultimately, Walid Junblatt is the leader of the Druze sect in the mountain, that whoever wants to discuss the mountain problem must do so with him personally, that Walid Junblatt is the one who makes the decision on the ongoing conflict in the mountain and that it is totally and absolutely unacceptable (regardless of the circumstances) that these limits be bypassed and these facts overlooked insofar as the Druze, al-Shuf and the mountain are concerned.

This message was understood the moment the report on the detention of ministers 'Adnan Muruwah, 'Adil Hamiyah and Pierre Khuri was received. It was also better understood that the place, time and occasion of the detention was intended to deal a Junblattist blow to an attempt that sought to encircle the Junblatt leadership and its role and to outflank this leadership at the Druze level (see Junblatt's interview with AL-MUSTAQBAL).

Walid Junblatt believed that the state was making concerted attempts to turn to the other Druze leaders and notables, led by Shaykh Muhammad Abu Shaqra, so that they could play the conciliatory role in reaching a political and security agreement that facilitates the army's deployment on the mountain, especially since the importance of the political influence that the paramount shaykh possesses has begun to emerge in Druze circles--an influence that qualifies him to be a negotiator acceptable to all parties.

For a time, the state thought, and somewhat rightly, that the Druze political position was united when the memorandum spelling out the Druze sect's demands and rights was presented. But other Druze leaders and notables began to emerge and to display some of their independence, especially when Walid Junblatt went too far in his political positions and in his antagonism to the state, thus exceeding the issue of the memorandum and of the sect's rights and moving within the framework of the National Salvation Front, which he declared jointly with ex-President Sulayman Franjiyah and ex-Prime Minister Rashid Karami in accordance with the alliance existing between this front and Damascus. The state did actually hear prominent Druze voices state that they are united in their stand with Walid Junblatt within the bounds of the concept of the sect's demands and rights but that they do not support any other demand beyond this memorandum.

According to Kamil al-Sa'ad, Chamber of Deputies speaker, the state surrendered itself willingly to Walid Junblatt when it dispatched three of its ministers, i.e., one-third the cabinet members, to al-Shuf area to visit Shaykh Muhammad Abu Shaqra in his village, B'adran, because the Progressive Socialist Party chairman was waiting for such a golden opportunity to pounce on the state's endeavor, foil it and regain all the cards of the political and sectarian game, even on the mountain. Ex-President Camille Sham'un was not quite correct when he commented on the escalation of the Junblattist battle against the state by saying: "The objective of this intensified shelling of the army positions in the village of Kafr Matta and of the airport and the kidnapping of the three ministers is to raise the price." It is ex-President Sham'un's view that Walid Junblatt is trying to use all the pressuring cards he holds in order to exhaust the state and drag it behind him with the purpose of weakening it so that should he start any dialogue with it, he will initiate such a dialogue from a position of strength enabling him to dictate his terms and go make maximum political and nonpolitical gains. Using the yardstick of the traditions that have prevailed in the conventional Lebanese political game, ex-President Camille Sham'un seems to be partly right. But from the viewpoint of the state and the regime, and of President Amin al-Jumayyil in particular, the situation is much more serious and far-reaching than this because Walid Junblatt's battle exceeds the bounds of the conventional Lebanese political game in some of its dimensions.

The detention of the ministers was not intended to open the door to bargaining but has more far-reaching objectives that move toward calling for the weakening of the state's prestige and its political and security authority and the undermining of the credibility of the regime of President Amin al-Jumayyil.

B'abda Palace circles would not separate this objective from the other objective embodied in the blow directed by the Progressive Socialist Party's armed elements against a symbolic Lebanese army unit which has been stationed in the villages of Kafr Matta and 'Abiyah for months--a blow intended to weaken the Lebanese and external confidence in the ability of this army to deploy on the mountain and to foil the U.S. wager on the

capability of this army. Then came the act of shelling Beirut Airport and closing it down in order to further frustrate and embarrass the state, weaken its positions and decisions and undermine its confidence. After numerous endeavors over many months--endeavors met with Junblattist rejection, with security intensification on the mountain and with political intensification of the demands and conditions received by the palace--the Lebanese president became certain that the objective was actually to paralyze the regime's ability and to try to "hamper" this phase of its administration, i.e., to revive the waiting room, the room where President Ilyas Sarkis had waited throughout the 6 years of his administration.

One day before the three ministers were kidnapped, President al-Jumayyil was speaking about the general situation to more than 20 deputies on the day designated for receiving the deputies and hearing their demands. In the course of the general review that the president presented to the deputies on both the internal and external aspects of the crisis, he dwelt at length on the mountain issue and Walid Junblatt's positions, saying: For more than 6 months, we have spared no effort to contact Walid Junblatt to try to hold discussions and dialogue with him but "don't try to treat paralysis." We have tried hard to cooperate with Junblatt so that we might all take a united position to confront the dangers threatening Lebanon's survival and destiny. But all of our friends know, regrettably, what the outcome has been. It has been further political and security intensification and more debilitating conditions and demands, which show that the man does not want an understanding or cooperation. The impression with which the deputies emerged from their meeting with the president called for neither satisfaction nor optimism. What is more, Kamil al-As'ad, the speaker of the Chamber of Deputies, who knows "the well and its cover" [everything], as the popular proverb goes, censured the state strongly for dispatching three ministers to al-Shuf to meet with the paramount shaykh of the Druze sect on a conciliatory mission pertaining to an agreement to facilitate the army's deployment on the mountain in order to fill the security void after the Israeli withdrawal. It was possible to act differently to preserve the state's prestige and dignity and to save it from falling into such pitfalls and perils. The mistake the state committed through this act--a mistake whose fruits it has reaped--justifies the mistake in the kidnapping of the three ministers and their detention as hostages in al-Mukhtarah Palace. This detention caused U.S. President Ronald Reagan to intervene personally for their release through Israel. The tone of the Israeli officer who entered al-Mukhtarah Palace and ordered the release of the detained ministers indicated that he had received strict instructions for their immediate release, either cordially or by force. With the failure of all the efforts that had been exerted for the release of the ministers, the Lebanese president had no recourse but to contact U.S. President Reagan, who ordered immediate contacts with the Israeli Government to urge it to intervene immediately to insure the safe return of the Lebanese ministers to Beirut. By contacting the U.S. president, the Lebanese president held the Israeli occupation authority responsible for the kidnapping the detention of the ministers because the act took place in an area controlled by the Israeli occupation. Israel's allowing

such acts and practices to take place in the mountain provides another decisive proof of the presence of an evil intention to further intensify the situation on the mountain, to weaken the legitimate Lebanese government and to paralyze its ability to move politically and militarily to contain consequences that may stem from the withdrawal of the Israeli forces from the mountain.

The U.S. effort to release the ministers and to cool the fighting fronts on the mountain was not the only response. Rather, President Amin al-Jumayyil initiated a large-scale internal movement when he invited Muslim and Christian leaders with sectarian and national influence to a palace meeting that was attended by Kamil al-As'ad, speaker of the Chamber of Deputies, ex-Prime Minister Sa'ib Salam, ex-President Camille Sham'un, Phalange Party Chairman Pierre al-Jumayyil, Joseph Skaf, leader of al-Biqa' deputies bloc, and Ghassan Tuwayni, in addition, of course, to Prime Minister Shafiq al-Wazzan and members of his cabinet. The resolution adopted by this mini-national conference to assign Speaker Kamil al-As'ad to speak on behalf of the conferees reflects the agreement not to leak any information on the discussions that took place and the resolutions adopted.

This meeting was preceded by two telephone calls made by President Amin al-Jumayyil to ex-President Sulayman Franjiyah and ex-Prime Minister Rashid Karami, the two leaders of the National Salvation Front, in which he exchanged with them views on the dangers and complications of the situation.

Despite the secrecy with which the discussions and outcome of the palace meeting have been surrounded, it has been possible to learn the following:

First, continuing the support for the legitimate government, strengthening its positions and confronting jointly all attempts seeking to weaken the government and to paralyze its ability to move and to make decisions.

Second, agreement that the state has positions from which it cannot retreat and which it cannot soften. It must always choose and decide on whatever is liable to strengthen its political and security capability within the framework of the requirements for the battle of liberation and of evacuating all the alien forces from Lebanon.

Third, reaffirming adherence to the resolution adopted on instructions to the Lebanese Army to deploy in the mountain area in order to fill the security void immediately upon withdrawal of the Israeli forces from the mountain. This resolution must continue to be the base from which the legitimate authority proceeds to spread its control over any area from which the occupation forces withdraw.

Fourth, reaffirming the regime's continued performance of the role of umpire between the various parties to the internal conflict and strife and its exertion of ceaseless efforts to revitalize all the conciliation



efforts leading to cooperation among the Lebanese with the legitimate government as the only means of ultimate salvation.

Despite President al-Jumayyil's emphasis on moving with full speed at every internal and external level, the battle of defiance that President al-Jumayyil's administration has entered will not in any way be easy because on the outcome of this battle depends not only the destiny of numerous factors concerning Lebanon's future but also the future situation in the area.

8494

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# DIFFICULTIES FACING HOUSING SECTOR OUTLINED

Paris AL-MUSTAQBAL in Arabic No 339, 20 Aug 83 pp 46-48

[Article by 'Imad Judiayah]

[Text] Beirut, the capital of Lebanon, and other Lebanese areas suffer from a serious problem that poses the threat of a social catastrophe if not checked. It is the problem of housing. It is as if the Lebanese citizen, who has endured the woes of 8 years of war and destruction, is destined to live in a constant struggle with social problems the solution to which constitutes the minimum requirements for his daily life. There is hardly a home that does not suffer from this problem, which affects nearly 90 percent of the population.

As a result of the events of the past 8 years--events that have been bombarding Lebanon since 1975--the housing sector has sustained enormous damage. Estimates of the Development and Reconstruction Board indicate that nearly 40,000 housing units were damaged or destroyed in the first years of the war. Moreover, nearly 72,000 housing units have been damaged or destroyed as a result of the two Israeli invasions in the middle of March 1978 and in June 1982, thus raising the costs of repairing and restoring this sector to nearly 3.6 billion Lebanese pounds.

The eviction resulting from the war has intensified the housing problem by adding nearly 120,000 to those who live in shacks. The process of providing proper housing to these people presents a severe problem.

The problem of a dwelling or of housing in Lebanon is not a product of events. It is an old problem that dates back to World War II, i.e., to the early 1940's when this problem began to intensify. At that time, the Lebanese legislature restricted the freedom of contracting insofar as rents set in the obligations and contracts [al-mujibat wa al-'uqud] law are concerned. The legislature extended those rents despite current agreements concluded between the contracting parties. Rent laws followed year after year. At times, a law was extended for 2 or 3 years and set rent increases or reductions were imposed. This situation caused owners to refrain from investing their money in construction intended for leasing.

The housing crisis began to intensify then and it culminated with the promulgation of law 10/74, which made extension [of the existing rent rates] mandatory even for buildings of enormous size, which previously had been (allowed the freedom to increase their rents) on the basis of the rent law issued in 1967.

Added to this is the fact that successive governments since the onset of the 1940's have been content to deal with the problem with sedatives, failing to tackle it with the logic of consideration for the future. It would have behooved those governments to set up as of that time a ministry of housing and to devote to it constant revenues and appropriations to enable it to advance long-term loans to every Lebanese wishing to own an apartment for his own dwelling.

But now the damage has intensified to the point where it has become impossible for any Lebanese young man to leave his family, get married and rent an independent apartment, considering that the smallest apartment is rented for no less than 40,000 or 50,000 Lebanese pounds [annually]. The picture is so dark it may affect the marriage rate in Lebanon.

The new regime and its government consider the housing problem one of the urgent top priorities by virtue of the pressure of the urgent need for houses--a need that has existed for some time and which is estimated at more than 170,000 housing units. This need emerges basically among people with middle and low income.

According to what Dr Muhammad 'Atallah, chairman of the Development and Reconstruction Board, has told AL-MUSTAQBAL, the limited supply of housing units is due to several factors, including the legal restrictions imposed on rents and the failure to provide proper financial facilities. This in particular affects people with limited incomes who are incapable of purchasing or renting proper housing without government assistance.

The government has hastened to offer emergency and medium-range facilities to ease the severity of the housing crisis and to alleviate the social pressure resulting from the war. The fundamental strategy calls for advancing soft-term loans with preferential interest rates to help the private sector build, repair and reconstruct. These loans are made available by establishments financed or supported by the government.

AL-MUSTAQBAL has interviewed Dr Muhammad 'Atallah, chairman of the Development and Reconstruction Board, on this social problem.

[Question] What is the urgent action program that is being implemented?

[Answer] Through legislative decree No 20 of January 1977, the Lebanese Government has drawn up the framework of a plan to rebuild and repair the homes of Lebanese whose property was damaged during the events that started in February 1975. The government plans to retain the said legislative decree as a fundamental instrument for providing construction loans. The

government has also devoted attention to restoring homes destroyed in the south since the start of the Israeli invasion in the middle of March 1978 when it adopted the program of "return to the villages," which seeks to encourage the evacuees to return to their villages and restore their homes with funds supplied by the state.

There is presently an urgent need to build temporary housing in a speedy manner in order to lodge evacuees, despite the government's emphasis on building permanent housing in order to avoid the problem of temporary camps, which could bring a crisis to the poor. Most of the evacuees have been able to take refuge, even if only temporarily, in luxury apartment buildings and chalets abandoned by their owners, in addition to building shacks and buildings of several stories on land belonging to others and on public lands.

[Question] What is the medium-range program and how will the government secure the loans and facilities?

[Answer] The government has already initiated a loan program for the purchase or construction of housing units meeting the needs of citizens with middle and low incomes. It expects the demand for such units to amount to nearly 400,000 units by the year 2000, i.e., at the rate of nearly 21,000 units annually.

The government is exerting efforts to secure soft-term loans for citizens with middle and low incomes through establishments and programs set up as of 1977, namely:

1. The Housing Bank: It was set up as a joint establishment in accordance with legislative decrees No 4 of 15 January 1977 and No 27 of 18 April 1977. This bank seeks mainly to finance housing projects, including the building, restoration and repair of housing units and their annexes. Every Lebanese family with an annual income of more than 40,000 Lebanese pounds is entitled to benefit from this bank's loans.
2. The Independent Housing Fund, which was set up as a government agency tied to the Ministry of Housing and Cooperatives in accordance with law No 6 of 19 July 1980. This fund's objective is to build and purchase 20,000 housing units. Lebanese families with an annual income of no more than 40,000 Lebanese pounds may benefit from this fund.
3. Building low-cost housing units. This is an unsubsidized program designated to meet the needs of families with an annual income not exceeding the average national income, estimated at 24,000 pounds.

[Question] What are the cost estimates and how are the loans and financial assistance advanced?

[Answer] The government is exerting efforts to implement plan No 20/1977 which calls for providing soft-term loans to Lebanese homeowners and apartment dwellers whose homes have been damaged as a result of the events which started in 1975. The repayment period is extended over 20 years and the interest rate charged is 2 percent for a maximum of 45,000 pounds.

The program also offers soft-term loans for the purchase or construction of housing units with areas ranging from 60-108 square meters. The loans are repayable over a period of 20 years and with an interest rate of 3 to 4 percent for a maximum sum of 103,620 pounds. A total of 22 percent of the funds are allocated for families with an annual income of 20,000-40,000 pounds and 78 percent for families with an annual income of no more than 20,000 pounds.

Soft-term loans totaling 110 million pounds have been concluded, keeping in mind that the Housing Bank is currently facing a bottleneck and that it is trying to find new resources. The bank is currently operating as an agency for the distribution of government funds only. The bank needs 100 million pounds annually.

[Question] What about the prefabricated housing units designed for evacuees?

[Answer] The government is studying this temporary solution for housing the evacuees. A survey and a study are being conducted to identify land suitable for housing the evacuees. Such land will be set aside for the use of citizens with low income for the construction of future housing projects. The estimated cost of this project amounts to 600 million pounds over 2 years.

[Question] Has the meeting to which the regime invited the prominent figures in this field born fruit and produced any results?

[Answer] Of course, the meeting produced major positive results. The most important thing accomplished was the cohesion and harmony between the great demand, embodied in the government loans, and the offers made by contractors to build apartments and houses and provide housing to the citizens. The major task in this sphere is on the shoulders of the owners of contracting and engineering firms, which will take into consideration the construction of proper housing in adequate numbers for citizens with low incomes so that we can provide housing for whoever needs it. In the past, nearly 20 years ago, contractors and company owners built spacious luxury apartments for whoever could afford to purchase or rent them, failing to take into consideration the position of the poor or middle classes. This is why we presently resort, on agreement with the contractors and company owners, to building small housing units so that we can build the largest number possible to meet the needs of the citizens thirsting for an apartment to live in.

#### Opinion of Chamber of Deputies

Having familiarized ourselves with the efforts being exerted by the government through the Development and Reconstruction Board to solve the problem of housing in Lebanon, we must get the opinion of one of the Lebanese deputies concerned with this problem. AL-MUSTAQBAL turned to Deputy August Bakhus, chairman of the Parliamentary Administration and Justice Committee, for his opinion on the problem of housing in Lebanon and on how to deal with it.



Deputy Bakhus told AL-MUSTAQBAL:

The issue requires the adoption of expedient and decisive measures by the administration and the government before the catastrophe intensifies. In my opinion, these measures can be summed up as follows:

1. Allocating no less than 1 billion Lebanese pounds, obtained through loans from the private banks, for the Ministry of Housing so that it can intensify and speed up long-term loans and facilitate the procedures serving this end.
2. Allocating an equal sum from the Social Security Fund to be used for entitled beneficiaries so that they can purchase apartments.
3. Relaxing restrictions on contracts between the landlord and the tenant in the future, i.e., contracts concluded from now on, with the aim of creating an atmosphere of confidence among capital owners. What I mean is that future legislation should deal with previous rent contracts, not future ones.

It is to be noted that the public sector, no matter how much the loans grow, will not be able to solve the housing crisis without the private sector's participation, especially in a country like Lebanon where we have a free economy. Lebanese are known to be smart and skillful and know which side their bread is buttered on. If we subject future rents to the law of supply and demand, we can easily help lower rents. I have no objection to subjecting new contracts to the cost of living factor or to a fair increase every 3 years, as has happened in a number of civilized Western countries.

[Question] What are the dimensions of the eviction problem on the housing problem in Lebanon? How do you view the solution to this problem and are there proposals you deem suitable for implementation?

[Answer] It is a transient problem that has begun to diminish gradually and relatively in so-called greater Beirut. Evictions have been mutual, meaning that they have not played a part in intensifying the housing crisis. In any case, the calm security situation in Beirut and its suburbs has begun to loosen the grip of the eviction problem to a great extent.

Added to this is the fact that the Lebanese long ago understood the fact that the catastrophe came from abroad and that the conflict is not an inter-Lebanese conflict. The spirit of coexistence has again prevailed among the Lebanese families and the opportunity is now open, even if only to a limited degree, for every evicted person to regain the apartment from which he was evicted, keeping in mind that the courts' executive agencies have refrained so far from implementing the sentences issued against those who have seized the homes of others until further notice, i.e., until security is finally established.



In any case, I do not recommend the adoption of a legislative position in this regard because such a position would constitute an open denial of the right of private ownership, which is established in article 15 of the constitution. The provisions of the general law, not the special rents law, take care of the issues of the [forceful] occupation of apartments.

[Question] What is the opinion of the Chamber of Deputies on the Administration's and government's move to provide housing to every citizen?

[Answer] It is a wise step because this ownership by individuals makes them good citizens bound to their land and heritage, especially since ownership forms the bond of citizenship.

This is on the one hand. On the other hand, let me refer you to my answer to the first question, because such a wish cannot be crystallized unless a housing policy is established and unless an opportunity is provided to increase loans for the purchase of apartments. This is something that makes it necessary to find new and quick resources for the Ministry of Housing.

8494

CSO: 4404/595

## TISHRIN COMMENTS ON U.S. STANCE ON SUQ AL-GHARB

JN240956 Damascus Domestic Service in Arabic 0345 GMT 24 Sep 83

[Press review]

[Text] In today's editorial, under the headline "How Has Suq al-Gharb Become Part of U.S. National Security?" TISHRIN says: Can the United States provide one logical argument for its presence in Lebanon and for bringing its fleets and destroyers to an area 13,000 km from its borders to kill innocent people, who are struggling for a just national cause, fighting coercion and persecution and demanding political and social justice?

The United States and its NATO allies came to Lebanon to maintain peace. This was the pretext in the first place. Maintenance of peace in Lebanon definitely means stopping aggression against it and removing the Israeli invasion from its territories. The mission has diverted from its basic objective to become killing peace and the people in Lebanon and protecting the Phalangist regime from the Lebanese people. The declared objective of the United States then became, through its intensive naval presence, a claim to build a strong state in Lebanon ruled by the Phalangists. This actually means killing all nationalist forces and the popular opposition to the rule of the Phalangist Al-Jumayyil family and their militias which are the ally of Israel and backing coercion imposed on the majority of the Lebanon people. This also means annihilating all of Lebanon to protect that faction which only represents 5 percent of the Lebanese citizens and controls Lebanon's political and national destiny through the support of U.S. and NATO fleets, destroyers, and aircraft carriers.

The small village of Suq al-Gharb, which no American and maybe no Lebanese in northern Lebanon has heard of, has now become a strategic target for the United States. To protect it from falling in the hands of the nationalist forces the United States concentrates all these naval fleets and the massive fire power. Suq al-Gharb has become part of U.S. national security. This means that Suq al-Gharb has become a new American state whose occupation constitutes an encroachment on the strategic wall of the U.S. security bloc. We do not know how this village has acquired this status and under what pretext. How can the United States justify this illogical argument to the world and to its people? How can the American accept such a justification when he looks at the map and finds that Suq al-Gharb is 13,000 km from the closest

American state and that oceans, seas, and continents separate it from the United States?

TISHRIN adds: We do not believe that all this will hide the sole, basic objective. The Lebanese crisis is one of the branches of the main problem. If the United States continues its stubbornness, dangerous escalation of the situation and aggression against Lebanon and its people, and threatening Syria and the Arabs, the expulsion of the multinational forces and the U.S. and NATO fleets from Lebanon will be a strategic objective for the people of Lebanon and Syria and a condition for any national solution to the problem, because these forces practice killing and are a direct party to the aggression against Lebanon and its people.

TISHRIN concludes: In any case, Syria will not compromise on its basic objectives in foiling the Lebanese-Israeli agreement which is considered the main cause of the Lebanese problem. Syria will strongly back the National Salvation Front with all that it possesses in all its declared objectives. Syria will not bargain over any pan-Arab right regardless of the cries of imperialism, the roar of the fleets, and the belligerency of the United States. They will find that Syria sticks to all its declared commitments.

CSO: 4400/637

## COMMENTARY ON LEBANESE GOVERNMENT'S STANDS

JN241632 Damascus Domestic Service in Arabic 1115 GMT 24 Sep 83

[Station commentary]

[Text] The situation in Lebanon has become a tragic and regretful situation. Blood is still flowing and destruction still affecting what the Lebanese have built through efforts and skill, around and in this small country, military forces are mobilized. These forces belong to a group of states that are capable of setting a destructive and burning fire that would engulf the entire world. When efforts that are being exerted to stop the bloodshed and defuse the explosive barrel are about to succeed, they stumble once again due to the stands of certain sides that appear as if they do not have any interest in stopping the bloodshed and achieving a national accord. The most important of these sides are influential quarters in the present Lebanese regime. Let us take the cease-fire as an example.

It is an axiom that the halt of the civil war is an Arab, Lebanese, and humanitarian demand, but why does this cease-fire not take place? To answer this question, one must recall that the Ash-Shuf and 'Alayh regions have always been a calm, peaceful, and coexisting region throughout the first civil war; a region where nothing has disturbed its safety or security. But the new development was the so-called Lebanese Forces who came to the region with the Israeli forces of invasion to force the formula of the victor and the vanquished. They came to impose the control of the forces which collaborate with Israel over all the Lebanese nationalist forces which reject sectarian control, the control of the minority over the majority, and all forms of connection and submission to Israel, which is Lebanon's enemy and real opponent. With Israel's instigation and direct interference, the fire of the armed conflict was ignited in 'Alayh and Ash-Shuf. It might be useful to recall that just after they had accomplished their partial withdrawal from Ash-Shuf, the Israeli forces fired a number of rockets on the positions of the socialists and the Lebanese Forces in order to ignite the fire of war in the mountain as the Lebanese newspaper AN-NAHAR said at that time.

Despite the fact that Israeli interests were clear in the mountain war, the Lebanese regime, which has submitted to U.S. interference and pressures and signed the contract of submission with Israel, forced the Lebanese Army into the conflict in order to support the party which is connected with Israel,

involved it in a fight against a large group of the Lebanese people, diverted it from its basic and national task, and made it a party to the local conflict. Moreover, the Lebanese regime attempted to exploit the army in order to impose a fait accompli that is rejected by the owners of the territory and the majority of the Lebanese people. Many Lebanese were and still ask this question: Why does the government send the army to fight against the Lebanese, who reject subservience and capitulation to the United States and Israel, and has not sent it to impose control over the regions that are under the control of those who collaborate with Israel and those who received the Israeli war minister in greater Beirut with illegitimate military ceremonies?

The continuation of the fighting in the mountains and Ash-Shuf is the responsibility of those who realize that the majority of the people reject the contract of submission and view it as an opposition which is empty and has no value. It is also the responsibility of those who attempt to impose the formula on the victor and the vanquished by force, and those who, when defeated, and despite their exploitation of the army, sought the assistance of the guns of the American and non-American fleets and the American and non-American planes to an extent where the Lebanese have the right to ask: If the nationalist opposition is empty, then can the Lebanese regime survive without the force of the imperialist U.S. guns and impose its control on the Lebanese people without the support of the U.S. fleets, planes, and spearheads?

It is an axiom that a real cease-fire which would hold and last cannot be achieved except on the basis of a national accord and a national understanding of the basis, the stands, and the characteristics of the Lebanese entity, its unity, and its institutions. Although the Lebanese regime admits the necessity of the national accord and the importance of the opposition forces on the ground, it has not yet made a serious and actual step toward a national accord. In fact, it has made preconditions that would make the results of the discussions on the national accord scraps of paper scattered by the wind, while through the period of discussions, the regime will have its affairs arranged with the Americans and Israelis. The dialogue on a national accord which the regime wants seems to be a one-sided dialogue. In other words, the regime wants to hold a dialogue with itself and not with others. In this case, it would be better for the regime to stand before a mirror to discuss, preach, and to impose its opinions instead of holding discussions with effective political forces which reject subservience and capitulation and adhere to Lebanon; a Lebanon for all its sons where there will be no victor imposed by the force of Israel and the United States and no vanquished due to foreign interference or internal control. Regardless of the Lebanese regime's attempts to absolve itself of the responsibility, to hold others responsible for not beginning a national dialogue, and to slander Syria, this is an unquestionable responsibility which it must shoulder before the Lebanese, history, and the future.



## AL-BA'TH SAYS LEBANESE REGIME OBSTRUCTING PEACE EFFORTS

JN250927 Damascus Domestic Service in Arabic 0345 GMT 25 Sep 83

[Press review]

[Text] In today's editorial under the headline "Al-Jumayyil's Behavior Disproves His Lebanese Identity," AL-BA'TH says: It has become obvious that the existing regime in Beirut is obstructing the efforts being exerted to reach a solution that is acceptable to all parties in the Lebanese arena and one that will achieve the Lebanese masses' ambitions. This Phalangist regime's stand was taken after the United States, most western countries, and Israel offer assurances of their strong support--even if these countries' stands lead to a world confrontation. Furthermore, some official Arab standard are no less dangerous than the U.S.-NATO-Israeli stand.

The fact is that the existing Beirut regime's stand on the nationalist forces and Syria was clarified following the signing of the agreement of submission on 17 March and following Al-Jumayyil's visit to Washington. Everybody remembers the threats the president of the Phalangist regime directed from Washington against Syria. At that time, the Arab and world press asked: Is Al-Jumayyil making threats with the support of the United States or Israel? It is now proven that what has been taking place since the Zionist invasion of Lebanon falls within the framework of an integral hostile scheme.

AL-BA'TH continues: The successive events assert that Amin al-Jumayyil rejects the achievement of any national accord--otherwise he would have responded positively to the popular Lebanese insistence on the need to achieve this accord, which is rightly considered the basic and logical beginning for solving the Lebanese crisis. With the national accord, Lebanon can achieve that which is in the interest of its people's unity and territorial integrity.

The one who uses U.S., NATO and Israeli forces to destroy Lebanese cities, villages, and districts cannot be a Lebanese. Amin al-Jumayyil--who prefers the American, the westerner, and the Israeli to the homeland's son, and who demands his right to a respectable life away from factional hegemony--can only accept the solution that serves the objectives of the big hostile scheme. This is represented by turning Lebanon into a new and dangerous Israel.

Al-Jumayyil's regime is the only one that rejects the proposed solutions and the only one that decided to solve the problem militarily, believing that the U.S., NATO and Israeli forces are capable of suppressing the will of a people who have decided to safeguard their national unity and Arabism at any cost.

The Phalangist regime, which is trying to turn Lebanon into a U.S.-Israeli protectorate, committed a fatal mistake when it became convinced that it is capable of carrying out the orders.

AL-BA'TH concludes: Lebanon was and will only be for its nationalist and honest sons. Lebanon, which they think they can turn into an advanced base for imperialism and zionism in order to dominate the Arab homeland, will definitely be an incinerator for all its aggressors.

CSO: 4400/637

ADEN AIRPORT IMPROVEMENTS NEAR COMPLETION

Aden 14 UKTUBAR in Arabic 11 Aug 83 p 3

[Article by Najat 'Ali Yahya: "The Project for Extending, Strengthening Aden International Airport Is To End at Year's End"]

[Text] Work is well underway toward completing the project to extend, strengthen, and install lighting on the runways of the Aden International Airport by the end of this year. To get some idea of the effort that workers have invested in the project in spite of the difficulties and problems which confronted the progress of the work we met with Mr Muhammad 'Alawi al-Kaf, deputy director of the civilian aviation authority, to learn about these things.

[Question] What is the significance of the project to extend and reinforce the runways of the Aden International Airport?

[Answer] The Aden International Airport was built in 1958; however, we estimated that the policy decision to build an airport at that time was that it would not last more than the next 15 years. This demonstrates the situation of the runway as it was before the present extension, in addition to the defects had begun to appear in it that threatened the safe landing of planes because of its heavy use and age. This required the strengthening of the runways by adding thick layers of asphalt, lengthening the landing and take off strips, and the installation of new lighting, compatible to modern aircraft like the Boeing 747 Jumbojets.

Final Completion of the Project

To our question of Mr Muhammad 'Alawi al-Kaf on the obstacles that hindered the rapid completion of the project which began in 1977 and on when the project will finally be finished, he said:

"Because of the lack of ample airport construction expertise and the lack of suitable understanding of the contract documents and their obligations the project was delayed for some time because many of the required elements for the project were not available locally. Also the project was being implemented on a site occupied by electrical and telephone cables and the water-mains. Moving these took lots of time. In addition there was the normal

operation of the airport and the traffic of local and international flights. Nevertheless the project witnessed tremendous progress in the past two years according to work reports. Currently work is advancing at an elevated pace.

"The final completion of the project will be at the end of this year. The airport will officially open and work will continue day and night uninterrupted until 14 October of this year."

#### The Project's New Installations

The project to extend and strengthen the Aden International Airport consists of a number of installations, such as extending the main runway from 2558 meters to 3100 meters, extending the approach runways, as well as strengthening the thickness of the runway. This makes it possible to permit the largest, most modern aircraft to land, including the ability to make night landings using reliable and continually available back-up lighting. This is done by using reserve electric generators that are automatically switched onto the runways in the event of a cut in the service provided by the main electrical network. This will help airlines that now use the larger-sized aircraft like Boeings 707's to come to our country. The project also includes the widening of the parking area for aircraft. This project is financed by a Soviet loan along with local sources. Project expenditure has come to 19,730,619 dinars and the Ministry of Installations is undertaking the work with local skilled workers with Soviet technicians supervising the work. There is also another project to build a freight yard to replace the old one which will be used to repair planes. Work has been progressing on it since the beginning of the year, and it will be completed at year's end.

As for the principal project, a project to build a terminal building to include other services connected with travellers' traffic and the navigational equipment to ensure airplane safety. The study of this matter has already begun and final plans prepared. An international tender has been announced and we expect to receive responses at the beginning of this September. A part of this project will be financed by a loan from the French government. When we get the contractors' bids we hope to receive further loans to finance the remainder of the project. Work on this project will begin in 1984 and will last 2 years. The terminal project consists of a main building for passengers and other buildings attached to that, such as a building for air communications equipment and navigation control equipment, a reception building for official visitors, and another building for fire engines. As part of this project navigational equipment will be installed that will enable us to receive planes and perform instrument guided landings. This is required by the international aviation authority. We at the aviation authority hope to provide it and to install this as part of this project. There is also other equipment that we would like to obtain such as telephone and radio communications equipment that would assist us in communications with neighboring countries to know the weather and to offer aviation information. This would help give planes necessary information.

### What Are the Difficulties?

The primary difficulties that have confronted us in extending and strengthening the runways of the Aden International Airport have been that it is the sole airport we have. We are always forced to stop work to use it. It has likewise cost us some trouble to move the materials and machinery off the runways.

Another problem was in financing the project through special credits. Sometimes they were insufficient to continue the work. If they were available at one time at another they were not.

During our inspection tours of the work site we noticed that work was progressing at a middling pace. A Soviet comrade occupied the direction and supervisory position over the Yemeni technicians and laborers. We met with comrade Yuri Ozharinin, the supervisory engineer of the lights installation project and director of the works, and chief of the Soviet team working on this project. I asked him if we could talk about the project and about the negative and positive aspects that accompanied the project and the causes for the delay of the work. He said:

"Work on strengthening the runways of the Aden International Airport and the installations connected with it have encountered serious difficulties especially since circumstances require that work can only be done 3 days a week. Work at the beginning of the project had the problem that we did not have enough laborers.

"Likewise in building materials and especially in (alkali?) material, but this situation ceased after a while. Therefore I can say that it was due to these causes that actual work started on the project in 1980, while it should have been, according to the treaty, in 1976. We will finish all work at the end of this year and the airport will be ready to receive the most modern and largest planes in the world. The obligations on the Soviet side are to replace old equipment, some of which was used in the 50's, with the new equipment that can service the most modern aircraft.

"What we've noticed during the work was, that despite the difficulties and the circumstances confronting the work, nevertheless we noticed the assiduous efforts made to counter and overcome them by our brothers in the aviation authority, and also by the Yemeni workers and cadres who confirmed their competency for the work and techniques. This has given us great confidence in them and they will in the near future undertake all of their own difficult work in building the country."

9587

CSO: 4404/603



## BANK PROJECT RESUSCITATES RURAL BANGLADESH

Calcutta THE SUNDAY STATESMAN in English 4 Sep 83 p 7

[Article by Manash Ghosh]

[Text]

DHAKA—What was once dismissed as a utopian concept by seasoned bankers, is today the source of hope for legions of landless Bangladeshi farmers.

Discarding the conventional banking practice of advancing loans against collateral security and other harsh conditions, which favour the rich, the Grameen Bank Project is evolving a unique banking system in rural Bangladesh one of the objectives of which is to make the rural poor economically self-supporting.

The Grameen Bank Project has proved that the rural poor, because of their poverty, need not be bypassed by banking institutions, as is the practice.

On the contrary, they are as reliable as the rich to do business with. In fact, the bank has found that it is more profitable to serve this segment of the population than the rich.

The myth that the poor can not repay loans and cannot save has been exploded. The Grameen Bank has got back about 99% of its dues and the loans were extended without any collateral security.

Out of the Taka 15 crores loaned out so far, Taka 10 crores have already been realized. There has been no default in repayment despite successive spells of floods and drought and the bank has yet to write off any amount as bad debt.

More creditable is the fact that the GBP has helped create assets, generate savings, utilize idle manpower, instil self-confidence among the landless and improve the social and economic status of women.

These benefits cannot be measured by any yardstick. With improving living standards and social status, the landless are now less dependent on jotedars and money lenders than before.

The bank has been able to mobilize the landless poor for such a

wide variety of productive purposes that it is being increasingly looked upon by the Bangladesh Government and international financial institutions as a means of effectively countering Bangladesh's two most serious problems—growing landlessness and impoverishment.

Dr Muhammad Yunus, 42-year-old professor of Economics at Chittagong University, is the brain behind the project.

The plight of the poor, illiterate, landless farmers idling in the villages around the university urged him on to launch the project.

For the landless to get loans from the bank was not possible since more than 80% of them had nothing to offer by way of security.

If institutional credits could be arranged without collateral security, millions of landless could be engaged in their traditional processing and manufacturing trades, in agriculture and transport services, in marketing agricultural and non-agricultural inputs and produce and also in maintenance service. The door of self-employment would be wide open to them, Dr Yunus thought.

Though more than 8,000 branches of seven nationalized banks had been opened in rural Bangladesh with the professed objective of extending credit facilities to the rural poor, they actually became a mere instrument in syphoning off deposits from the rural to the urban areas.

"Both by design and choice, the banks have framed their credit rules in such a way that the rural poor, the largest segment of the Bangladesh population remain outside the country's banking system. That is why I call our banking institution anti-poor in its structure, outlook and operations," said Dr Yunus, Director of the Grameen Bank Project.

In December 1976 he, with the help of the university's Rural Economics Programme, opened the first branch of the Grameen Bank Project in two villages in Jobra adjoining the university campus.

Two nationalized banks were persuaded to advance loans to the landless of the villages without any security. Dr Yunus and his team at REP stood as guarantors.

It was agreed that the management and all the operational policies, planning and implementation of the project would be determined by Dr Yunus.

The participating banks were to hire the required staff, provide office space and work aids for the branches of the GBP besides sanctioning loans to those selected by the GBP under the terms and conditions worked out by Dr Yunus.

From the outset, Dr Yunus adopted the unorthodox approach of sending the GBP staff to the landless in villages to explain the rules and operations of the GBP.

Anyone whose family owned less than 0.4 cultivable acres and the total family assets of whom did not exceed the value of one medium-quality acre, was eligible for loan for any income-generating activity.

For this, no collateral or undertaking was required. To get the loan, one had to form a group with four other like-minded persons with similar economic and social status.

Women were especially encouraged to improve their household skills to produce goods and services in demand. They were made conscious that, like men, they too could take loans for independent economic activities.

After closely observing the behaviour of the members of the groups, the visiting GBP staff publicly discussed all the loan proposals in the villages.

This was to minimize exaggeration, misinformation and wilful

suppression of facts regarding the need for and utilization of loans. Initially two members from each group were given loans, for repayment in weekly instalments, which were only 2% of the loan.

The interest charged—13%—was at par with the rate of the commercial banks. Utilization and repayment of loans were closely monitored by the bank.

The remaining members were given loans only if the first two from each group observed the rules. "We did this to build pressure within a group, which deterred violation of the rules. Members, in their own interest, kept a tab on the loanees, ensuring proper utilization and repayment of our loans," Dr Yunus remarked.

While paying his weekly instalment every group member was made to deposit Taka 1 as his personal saving. Besides, when a member got a loan, a compulsory deduction of 5% of the loan amount was made for the group fund which took care of the immediate cash needs of the members.

The total deposits under these two heads are now about Rs 2.10 crores. Over and above, each loanee deposited in the bank's emergency fund an amount which was 30% of the interest charged by the bank for the loan.

The fund was essentially an insurance against death, disability, crop failure and loss of livestock and covered all the members of the group.

For the unemployed and underemployed landless labourers of Jhokra, the GBP loan provided self-employment opportunities. Men bought rickshaws, handlooms and livestock, which assured steady repayment.

Women processed paddy and sold it on the market. Soon, the success of the Jhokra experiment attracted the attention of the country's Central Bank—the Bangladesh Bank—which agreed to help the commissioning of similar projects in other districts.

The GBP was entrusted with 27 unions of Tangail and Chittagong districts, where there were many landless people.

Response from the landless was remarkable in these two districts, where the GBP has so far disbursed over Taka 7 crores as loan.

The landless in these districts were mobilized by the bank to go in for big collective investments, which fetched handsome returns.

For instance, 854 members borrowed Taka 8.25.000 from the GBP to buy 30 shallow tubewells and 13 power pumps, which were hired

out to rich farmers on a crop-sharing basis. The entire loan was repaid within a year.

The biggest "haat" in Bangladesh, at Mirsarai in Chittagong, was taken on lease jointly by several groups for Taka 2,30,000. Tanks and ponds were also leased to members and groups for pisciculture. Four new rice mills were set up which were managed by the group members of the bank.

The growing popularity of the GBP prompted Bangladesh Bank to request the GBP to extend its activities to Dhaka, Rangpur and Patuakhali districts.

The Rome-based International Fund for Agricultural Development was so impressed by the GBP venture that in 1981 it gave a loan of \$3.25 million (over Taka 5 crores) for expansion of the GBP's operations.

A substantial amount was provided by Bangladesh Bank. More than 80 branches of the GBP now cover 1,150 villages. It now has about 48,000 members of whom about 42,000 have been given loans varying between Taka 800 and Taka 50,000. About 35% of the loanees are women.

GBP operations have doubled the daily wage rate of agricultural labourers, who, in most districts, are grossly underpaid and exploited.

The landless in the "covered" districts are also finding it economically advantageous to collectively negotiate and manage sharecropped land on attractive terms.

The creation of small stockists and traders of foodgrains among them by the GBP has reduced the monopolists' hold on the grain market.

The economic impact of the bank's operations seemed considerable to this reporter when he visited the Dighi union near Manikganj, where tin-roofed huts replaced the thatched hovels of the landless.

Encouraged by the success of the GBP, the Bangladesh Government is planning to convert the GBP into a specialized bank which will deal exclusively with the financial needs of the landless.

The Government proposes to bring the entire country under the GBP operation to check the problems of landlessness and poverty.

Government support was necessary for a nationwide GBP operation.

"The people in the Government who once called my venture madness now realize the relevance of the project. Their support has overwhelmed me," remarked Dr Yunus.

## BRIEFS

ELECTORAL ROLL STATISTICS--A total of 4,73,25,886 voters have been registered in the final electoral rolls which will be published by the Election Commission today (Friday) throughout the country as per schedule announced earlier by the Commission. Of the total voters, 2,49,35,993 are male and 2,23,89,893 are female. The total number of voters registered in the final electoral rolls in 1976 was 3,83,63,858. Compared to 1976 the number of voters have increased by 89,62,028 to 4,73,25,886. The percentage of increase is 23.36. A Press release of the Election Commission Secretariat said that the final electoral rolls are being published for inspection of the members of the public in all offices of the Registration Officer Sub-divisional Election Officers and in conspicuous place of each electoral area. The work on enumeration for the preparation of the fresh electoral rolls throughout the country began on January 28 last. The Election Commission appointed a total number of 83 Registration Officers and 126 revising authorities throughout the country for the purpose. The registration officers subsequently appointed a total number of 87,053 enumerators and 21,775 supervisors. Draft electoral rolls were published on March 28 last and the last date for filing of claims and objections was April 12. [Total figures as published] [Text] [Dhaka THE BANGLADESH OBSERVER in English 5 Aug 83 p 1]

CSO: 4600/1543

## INDIA PROTESTS PRC CRITICISM OF NEHRU, GANDHI

Madras THE HINDU in English 26 Aug 83 p 9

[Article by G. K. Reddy]

[Text] NEW DELHI, Aug. 25. A strong protest has been made by India to China over the publication, in a semi-official Chinese journal, of a sharp attack on Jawaharlal Nehru and Mrs. Indira Gandhi, decrying their policies and actions both before and after Independence.

When the Indian Ambassador in Beijing, Mr. A. P. Venkateswaran, lodged the protest, the Chinese Foreign Ministry gave the bland reply that there was freedom of press in China and periodicals were free to publish what they deemed fit without involving the Government in it.

It was in pursuance of this freedom of press that the first part of the offending article appeared in last month's issue of WORLD AFFAIRS, a journal that is closely associated with the Chinese Foreign Ministry. But after the Indian protest, the second instalment has not appeared in the latest issue of the publication.

Puzzled by timing: This would have been normally dismissed as a minor aberration had it not been for the fact that the publication of the first part more or less coincided with the message from China suggesting the next round of official level talks towards the end of October or early November in Delhi. The External Affairs Ministry was naturally puzzled by this coincidence which, in terms of Chinese diplomacy, had some sort of significance.

But India did not want to make an issue of this offensive article by putting off the overdue talks on the border problem. After the ritual of lodging a protest, it responded positively to the Chinese suggestion and left the actual dates to be chosen by Beijing to suit its convenience.

The first round of these talks were held in Beijing in December, 1981, the second round in Delhi in May 1982, and the third one in Beijing at the end of January, 1983. The fourth round in this series will be taking place soon, if only to keep up the continuity of this dialogue even if no progress is made at these talks over the border problem.

Relations continue to improve: But otherwise Sino-Indian relations continue to improve despite the continued stalemate in the border discussions. The two Governments have been keeping in touch over international issues of common interest, especially those concerning third world nations.

There is, however, no word still from Beijing whether the Chinese Prime Minister, Mr. Zhao Ziang, will be attending the proposed get together of world leaders at the end of September in New York during the U.N. General Assembly session.

CSO: 4600/1586



GANDHI MESSAGE TO CONFERENCE ON PALESTINE REPORTED

New Delhi PATRIOT in English 31 Aug 83 p 3

[Text] GENEVA, Aug 30 (PTI)--Prime Minister Indira Gandhi has said that Israel's policy of 'aggression and terrorism' continued to strain limits of patience and tolerance of international community.

In a message to the international conference on Palestine being held here, Mrs Gandhi, who is the current chairperson of non-aligned movement, drew attention to the plight of Palestinian people who had been systematically oppressed and humiliated in their own land.

She stressed the need for vacation of Arab territories occupied by Israel and for recognition of the right of Palestinian people to the establishment of an independent state, without which peace and security in West Asia would remain a 'chimera'.

In a message read out by External Affairs Minister Narasimha Rao, Mrs Gandhi recalled India's sympathy for the Palestinian Arabs and said that this had been part of India's foreign policy since the very beginning. She praised the brave fighters of PLO who had displayed a commendable spirit of sacrifice in the face of continuing acts of intimidation and violence perpetrated against them by Israelis'.

CSO: 4600/1593

## REPORTAGE, REACTION TO KOREAN AIRLINER INCIDENT

## Dims Summit Prospects

Madras THE HINDU in English 3 Sep 83 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Sept. 2.

The action of the Soviet Union in shooting down a South Korean jet, whatever the provocation, is bound to sour East-West relations to the point of casting a shadow over the impending North-South consultations in New York at the end of this month, according to observers here.

Though India is not involved in any way in the controversy over the Soviet action, it is certainly concerned about the fallout of the worldwide indignation in the more immediate context of its efforts to get together a representative gathering of Heads of Government of Western and Soviet Bloc nations at the United Nations for these North-South consultations.

If the U.S. takes the initiative in organising some sort of Western reprisals against the Soviet Union in the shape of suspension of overflights or discontinuance of scheduled air services, it would be treated as enough provocation by Soviet Bloc countries not to engage in any global dialogue with the West on American soil even under the auspices of the non-aligned movement.

Indian stand: The Indian policy is not to condone the Soviet action in shooting down the South Korean plane, but in privately counselling restraint on the U.S. so that this sad incident does not lead to a more unfortunate situation. It is not likely to join in any U.S.-sponsored condemnation of the Soviet Union, while making it clear to all concerned that Moscow should not have taken this extreme step whatever the extenuating circumstances for it.

As NAM Chairmen, India is closely watching this developing situation without taking sides in the raging East-West controversy over the provocation or justification for the inexcusable Soviet action. This is not the first time that an unarmed passenger plane has been shot down for alleged violation of foreign air space,

but at no time were so many lives lost in such an incident.

As the opening date for the U.N. General Assembly session draws near, India has stepped up its diplomacy to ensure that there is reasonable response to Mrs. Gandhi's appeal for a representative gathering of Heads of State or Government. Though her original plea was to the heads of all countries to assemble in New York, it was subsequently toned down into a suggestion for a get-together of only a representative gathering to take a collective look at some of the global problems.

Response: About a dozen Western countries — including France, Canada, Sweden, Austria, Greece, Spain, Finland, Norway and Belgium — have already responded to Mrs. Gandhi's appeal, but there is no reply still from the U.S., West Germany, Britain, Italy, Australia and Japan. In a bid to balance the limited Western representation with a matching group from the Soviet Bloc, India has been trying hard to persuade some of the East European countries to participate in these consultations even if the Soviet Union is unable to take part for whatever reason.

The External Affairs Minister, Mr. P. V. Narasimha Rao, is going to Moscow to see whether anything more can be done even at this late stage to persuade the Soviet leader, Mr. Yuri Andropov, to put in at least a brief appearance at the U.N. for this purpose. He will also urge his Soviet counterpart, Mr. Andrei Gromyko, that if Mr. Andropov is not inclined to go to New York, the Soviet Union should be represented by another senior leader, if possible.

Limited gathering: In the case of the non-aligned community, the problem is to keep down the number to a manageable size. An attempt is being made, without ruffling the feelings of the smaller nations, to have only a limited gathering drawn from different geographical regions.

"The Soviet Charge (acting Ambassador) has been informed that the U.S. Government finds this reply totally inadequate and the U.S. reiterates its demand for satisfactory information."

Mr. Hughes refused, under questioning by reporters, to say whether such retaliatory measures such as stopping the recently signed Soviet-American grain sale agreement or barring Soviet flights from U.S. airspace were among the action being considered by the Reagan Administration.

**Outrage in world capitals:** Though most European Governments declined detailed comment, in world capitals, incensed Governments summoned Soviet Ambassadors and issued statements of outrage over the reported downing of the jetliner.

In Tokyo, leaders today sharply criticised the Soviet Union for the shooting down.

"The Japanese Government had determined that KAL flight 007 was shot down by a missile fired from a Soviet aircraft at 03:38 hours Thursday (00:18 hours IST) and fell into the waters off the southern tip of Sakhalin," the Chief Cabinet Secretary, Mr. Mitsuhiro Gotoda told a news conference.

**China's shock:** In Beijing a Foreign Ministry announcement expressed China's shock and regret at the incident. — Reuter, AP.

## India hopes it is not true

NEW DELHI, Sept 2

India today hoped that it was not true that a South Korean jet was shot down.

The official spokesman of the External Affairs Ministry said the full facts were not known. Versions of the incident vary.

"We hope that it is not true that the plane was shot down, especially as it was a civilian plane with passengers," India regretted the loss of life and offered its sympathies to the bereaved. — PTI.

The Prime Minister, Mrs. Gandhi, who leaves Delhi on September 20, will be reaching New York on Sept. 25 after visiting Cyprus and Greece. Apart from the External Affairs Minister, her Principal Secretary, Foreign Secretary and other senior officials, there will be a fairly large Indian delegation to provide the necessary nucleus for organising these North-South consultations.

## Wanton deed, says Reagan

SANTA BARBARA (California)

Sept 2

The U.S. President, Mr. Ronald Reagan, has rejected the Soviet version of the incident in which the U.S. says a Russian plane shot down the South Korean airliner.

"The Soviet statements to this moment have totally failed to explain how or why this tragedy has occurred", Mr. Reagan said in a statement read by the White House Deputy Press Secretary, Mr. Larry Speakes, yesterday.

Mr. Reagan called the incident an "appalling and wanton misdeed".

In Washington, the State Department said it had received a "totally inadequate" reply from the Soviet Union to U.S. demands for an explanation of the shooting down of the airliner.

The State Department spokesman, Mr. John Hughes said the Soviet reply, sent by the Foreign Minister, Mr. Andrei Gromyko, did not acknowledge that the Soviets shot the plane down, nor did it accept responsibility for the incident.

**"No lights":** Mr. Hughes said the Gromyko message, delivered to the State Department, asserted that the Korean Boeing 747 was flying without lights and did not respond to signals from Soviet interceptors and their efforts to direct it to a nearby landing site.

The Soviet message did report that "signs of a possible crash have been found in the area of Moronon island", which Mr. Hughes said lies in the Sea of Japan inside Soviet waters.

## Soviet Charge d'Affaires in Delhi

Madras THE HINDU in English 5 Sep 83 p 1

[Text]

NEW DELHI, Sept 4

The Soviet Ambassadors in what are described as friendly countries have been calling at the respective foreign offices to explain the circumstances in which a Soviet fighter aircraft had opened fire on the South Korean jumbo jet resulting in the loss of 269 lives.

But they continue to deny that the Soviet fighter actually shot down this passenger plane, while admitting that the MIG-23 pilot had fired some tracer shells along the flight path to warn the Korean jet, which subsequently moved away from the Soviet air space and disappeared without any trace.

The Soviet Charge d'Affaires in Delhi handed over a written statement to this effect

to the Government of India, more or less on the lines of the statement made in the U.N. Security Council, refuting the US charge that the Korean plane had actually been shot down by a MIG fighter with an air-to-air missile. The note maintained that the Korean airliner had intruded as deep as 500 km into Soviet air space and flew over its territory for two and half hours straying away from the normal flight path from Anchorage.

**Silent:** The Soviet explanation is, however, significantly silent on the crucial point whether the tracer shells fired along the flight path to warn the Korean jet had actually hit the aircraft. If these shells did hit the plane and it subsequently crashed into the sea outside the Soviet air space, it is immaterial whether the jetliner was

brought down by an air-to-air missile or with equally lethal cannon fire. But the Soviet Government seems to have been taken aback by the worldwide condemnation of the shooting down of a passenger aircraft whatever the provocation for it. Almost every country outside the Soviet bloc has voiced its sense of outrage, shock, dismay, anger, distress or indignation depending on its political orientation. The only country that has reacted in a muted manner was India which came out with the profound observation, "we hope it is not true", even after it had become quite evident for all practical purposes that the Korean airliner had been fired upon in Soviet air space.

It is considered quite likely that the Soviet Foreign Minister, Mr. Andrei Gromyko, might throw some further light on this sad episode during his talks tomorrow with his Indian counterpart, Mr. P. V. Narasimha Rao, who has gone to Moscow to press for Soviet participation in the high-level consultations at the United Nations on global problems. But as India is not directly involved in the controversy over the Soviet action, it can at best only pass on informally to the US and perhaps also to South Korea any additional information that Moscow chooses to disclose on the subject.

The Soviet authorities have been saying privately that the Soviet Far East command

based in Vladivostok, which is responsible for the defence of the entire stretch of territory from the Bering Straits to southern Siberia was competent to take action without seeking the prior approval of Soviet Defence Ministry in Moscow for dealing with such violations.

Not a rash act: But in maintaining that it was not necessary to obtain political clearance to open fire on an intruding aircraft that did not comply with orders to land a nearby air base for inspection after having flown for two and half hours in Soviet air space, Moscow has been unwittingly strengthening the prevalent impression that the decision to shoot down was taken with great deliberation. In other words, it was not the result of a rash response by some trigger-happy pilots of the Soviet fighters that were sent up to intercept it.

Whatever the actual facts, India has no desire to get involved in this controversy by accepting the Soviet apology at its face value or lining up with the rest of the world in condemning this indefensible action. It would like to keep out if only to avoid the impression that India was once again tending to give Moscow the benefit of doubt even if it was not in any way condoning the shooting down of an unarmed civil airliner resulting in the loss of so many lives.

## Indian Statement Reported

Madras THE HINDU in English 8 Sep 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Sept. 7.

The Government of India expressed its "shock" over the shooting down of the South Korean passenger plane by a Soviet fighter, while deeply deploring the incident involving the loss of so many lives.

In a statement issued here today, a spokesman of the External Affairs Ministry maintained that the full facts of the incident had not yet been established, implying that India was not placing the entire blame on the Soviet Union for this deplorable event.

### Why off course?

"We do not understand", the statement said, "how the plane was so long off course, nor how it could not have been identified as a civilian aircraft."

The carefully worded statement was issued in the wake of criticism both at home and abroad over the equivocal comment made earlier saying "we hope it is not true" even after it became quite evident that the plane had been shot down. The reported observation of the External Affairs Minister, Mr. P. V. Narasimha Rao, in Moscow that he did not wish to add anything to the official comment made in Delhi in view of the "new insights" into the incidents did not help to dispel the im-

pression that India was giving the benefit of doubt to the Soviet Union.

The statement called upon the international community to urgently address itself to the removal of the causes of mistrust and confrontation leading to such sad incidents. It said: "we believe that care and restraint should be shown in such cases."

### Error can lead to danger

This is the farthest that the Government has gone in indirectly disapproving of the Soviet over-reaction to this intrusion into its air space by a civilian plane. The statement stressed that in an atmosphere of growing international tension surcharged with suspicion, "there is always the risk of even an error leading to a calamity" in an obvious reference to the catastrophic consequences of what could happen if in a moment of crisis or confusion somebody in charge of the nuclear deterrent pressed the button.

The statement concluded with the philosophical note that in an over-armed world where technology was being ever more alarmingly used, such risks were of far-reaching consequences.



## Seoul message to PM

Meanwhile, the President of South Korea, Mr. Chun Doo Hwan, and the Foreign Minister, Mr. Bum Suk Lee, have sent messages to the Prime Minister, Mrs. Indira Gandhi, and the External Affairs Minister, mourning the death of an Indian national who was one of the 269 persons killed in the plane shot down by the Soviet Union.

The South Korean Ambassador in Delhi, Mr. Chung Tai Kim, who delivered these

messages issued a statement expressing the gratitude of his country for the overwhelming sympathy of the Indian people. He urged the Government and the people of India to join the rest of the international community in urging the Soviet Union to tender an apology to the world, guarantee against the recurrence of such tragic incidents in future and pay full compensation to the victims of its "unprecedented, completely illegal and heinous crime."

## Reagan Action Reassuring

Calcutta THE SUNDAY STATESMAN in English 4 Sep 83 p 6

[Editorial: "An Unforgivable Act"]

[Text]

No words can be strong enough to condemn the shooting down of a South Korean commercial airliner with 269 people on board all of whom were presumably killed. The Russians deserve all the censure they have drawn from the international community. President Reagan's accusations against the Soviet Union often contain a large amount of hyperbole; but, for once, it is possible entirely to agree with his description of the Soviet act as "an appalling and wanton misdeed". Theoretically at least, first reports left some scope for doubt, for the Russians had not acknowledged the fact of shooting down the plane. Nor did they in the Tass statement on Friday, but their expression of regret at the loss of lives and the charge that the jumbo jet was engaged in "intelligence operations" made their culpability abundantly clear. It would appear that they were guilty not merely of a monstrous crime against unarmed civilians but also of duplicity. Had they been innocent, they would have categorically denied the charge of having shot down the plane. On Friday, New Delhi, apparently taking the first statement at its face value, expressed the hope that "it is not true that the plane was shot down"; there is no longer any room for equivoca-

tion on anyone's part. All possible international pressure must be brought upon Moscow to acknowledge direct and full responsibility for the brutal massacre of the large number of civilian air passengers. Nothing can bring them back to life, but the horrible incident could also set an extremely dangerous precedent.

The Soviet plea does not deserve serious examination. Apart from the improbability of assigning "intelligence operations" to a commercial jetliner with 269 people on board, the development of satellite reconnaissance techniques has made aircraft largely obsolete for such purposes. And surely Moscow would not suggest that the South Koreans undertook the alleged mission on their own. The shooting down of an unarmed plane which had apparently strayed into Soviet airspace was nothing but a demonstration of the arrogance of power. Admittedly such arrogance is not an exclusively Soviet trait; but the Russians will now be on much weaker ground in criticizing the Reagan Administration's militaristic postures in Central America or elsewhere. U.S.-Soviet relations, which had shown a slight improvement in recent weeks cannot but be severely strained; and the possible effects of this on the arms control negotiations must be a

matter of universal concern. However, it is greatly to be hoped that there will be no immediate increase in military tension; it is reassuring that, despite great concern and indignation, the Reagan Administration does not appear to be planning anything to cause avoidable friction. Whatever the provisions in international law, the least the Russians can do is to tender an unqualified apology and offer South Korea whatever compensation is possible.



## Danger of New Tension

Madras THE HINDU in English 5 Sep 83 p 8

[Editorial: "Tragedy in the Sky"]

[Text]

THE SOVIET UNION will have a hard time convincing the world that it was not responsible for the downing of a South Korean airliner which had strayed over its territory, and the death of the 269 passengers who were aboard. The circumstantial evidence is heavily against it. The plane was flying over highly sensitive installations on the island of Sakhalin and the Sea of Okhotsk and Moscow claims it was on a spy mission. Soviet fighters sent up to order the intruder off its skies did come into visual contact with the Korean liner; and according to the Soviet statement, they finally managed to divert the plane back into international air space by firing warning tracer shells across its flight path. In other words it had both the motive and the opportunity, but yet says it did not commit the act it is being accused of; this denial (not quite explicit) is difficult to accept because what we are asked to believe is that the airliner which did nevertheless crash into the Sea of Japan did so through some bizarre coincidence. The Soviet Union can claim that it was well within its right to take whatever action it deemed fit against a plane which had no right to be flying over its territory without permission. But that would not absolve at least some individual air force pilot or pilots, if not ground control, of grievously over-reacting and sending 269 unsuspecting civilians to their death when other options were available; the fighter planes could have easily forced the liner to land on a Soviet airfield to find out whether in fact it was a spy in disguise.

\* There are also other questions: why was the South Korean Boeing with all its sophisticated navigational guidance systems flying more than 300 kilometres off course and that too for more than two hours? And why did not the United States, which seems to have been "monitoring" the entire episode minute by minute (for whatever reason), warn the South Koreans? The Soviet Union has charged that South Korea with U.S. connivance was using the civilian airliner as a cover to spy on its territory; this surmise is a bit farfetched because why would any nation use a lumbering passenger plane for such a mission (risking the lives of their own nationals) when it has far more advanced methods of intelligence gathering like satellites at its disposal? It could be that the plane was shot down by a Soviet fighter pilot who was trigger-happy or because someone on the ground had given a wrong and hasty order; in that case the Soviet Union should quickly apologise and make generous amends to the families of the bereaved. It stands to lose far less face and prestige that way than if it were to stick to its present version. And as for the United States, it should tone down its rhetoric and resist the temptation to use the incident to raise cold war passions even higher. It is precisely in this kind of climate that suspicions and new sources of tension quite unrelated to the specific happening germinate.

CSO: 4600/1603

## ANALYST COMMENTS ON 'ANTI-INDIAN CHAUVINISM' IN NEPAL

## Campaign Described

Madras THE HINDU in English 6 Sep 83 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI Sept 5

An insidious attempt is being made by some anti-Indian elements in Nepal to create a Sri Lanka type situation by launching a campaign of intimidation and vilification against the people of Indian origin in the kingdom.

The Indian Ambassador, Mr. H. C. Serin, has met the Prime Minister of Nepal, Mr. Lokendra Bahadur Chand, and the Home Minister, Mr. Padam Lawati, to draw their attention to this anti-Indian activity which could take a violent turn if no timely steps were taken to control it.

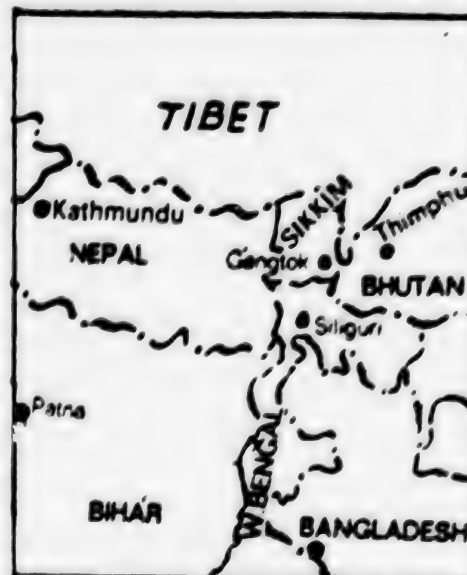
The excuse for the current anti-Indian campaign in the Nepalese Press has been the arrest of 33 Nepali migrants at the Panitanki border check-post near Siliguri on August 28 for illegal entry into this inner line area without valid permits. Though the arrested Nepalese were released on September 1 and sent back, the Nepalese Government rounded up a large number of the so-called Indian vagrants in the Kathmandu valley a few days later and took them in five trucks to be deported to India at the Buxaul border check-point.

**Regulation of entry:** The Indian Embassy in Kathmandu explained to the Nepalese Government that since 1976 all Nepali nationals entering West Bengal through the inner line were required to obtain the necessary permits. Though this regulation was not strictly enforced in the earlier years the Government of India decided to tighten the control by putting up additional check-posts to check illegal entry into this military area even if it was only for transit purposes.

Apart from the fact that Siliguri is a Corps headquarters, three Divisions of Indian troops are deployed in the area to face the Chinese concentration in the Chumbi valley adjoining Sikkim. As this narrow neck of territory dividing the whole of north-eastern region from the rest of India is of great strategic importance, the Government of India cannot afford to allow

free access to Nepalese through this area as a matter of right.

**Virulent campaign:** The Nepalese Government has taken this legitimate restriction amiss and retaliated by deporting a large number of Indian nationals, conveniently ignoring the fact that the Nepalese are allowed to enter India



along the rest of the border through traditional routes without any restriction. A militant Nepali organisation, called the Rashtriya Samaj Sudhar Senatha (RSSS), which spearheads the anti-Indian movement in the kingdom, seized this opportunity to mount with impunity a virulent campaign.

**Doings of a rabble rouser:** It is led by a rabble rouser with the strange name of Mr. Manjur World, a former employee of a foreign mission with fairly high contacts in the Nepalese establishment, who has been propagating the astonishing theory that the 5.8

million people of Indian origin living mostly in the Terai region, who constitute nearly 30 per cent of Nepal's 15 million population, are really Indian nationals who have no right to colonise this kingdom. The campaign was allowed to acquire anti-Indian overtones by an indolent or ineffective Government, which went to the extent of permitting an unofficial delegation to go to China to ascertain how Beijing would react if a Sri Lanka type situation were to develop in this buffer State.

The Government of Nepal had appointed a couple of years back a National Population Commission to study and report on the ethnic, demographic and socio-economic patterns in the different regions of the kingdom. Though the Commission has not yet formally submitted a report, its findings are reported to have brought out the fact that those inhabiting the lower areas of Nepal, who are quite different from the Tibetan stock in the higher regions, are an integral part of the local population despite their close cultural links with the Indian

people.

**Increasing discrimination:** But there has been increasing discrimination in Nepal against its citizens of Indian origin with the result that very few hold any senior positions in the Government or in the Armed Forces. There are reports of frequent harassment and victimisation of those who are well entrenched in Nepal's economic life unless they are able to enter into partnership with influential Nepalese to safeguard their interests.

The Government of India has not taken a firm stand over this issue all these years since it did not want to say or do anything that might worsen the situation. But now a stage has been reached when it feels obliged to voice its disapproval of this Nepali chauvinism in strong terms before it acquires serious dimensions. It is for this reason that the Indian Ambassador was asked to take up the matter with the Nepalese Prime Minister and the Home Minister and press for suitable steps to avert the danger of large-scale violence.

### Indian Ambassador Comments

Calcutta THE STATESMAN in English 8 Sep 83 p 7

[Text]

**KATHMANDU, Sept. 7.**—A group of 65 Indians and Nepalese of Indian origin working in various professions here have issued a statement describing as "misleading" reports published in the Indian Press regarding the deportation of truck-loads of Indians.

The report of the deportation of the Indian nationals from Nepal has been attributed in the Press to either the spokesman of the External Affairs Ministry in New Delhi or to the spokesman of the Indian Embassy here.

dor's meeting with the two Nepalese leaders, the spokesman said that they had assured him that the situation was well under control and that the Nepalese Government was taking necessary action.

The Indian Ambassador here, Mr H. C. Sarin, in fact met the Nepalese Home Minister, Mr Padma Sunder Lawati, on Friday and lodged a protest against the alleged deportation of the Indian nationals. The Indian Ambassador also met the Nepalese Prime Minister, Mr Lokendra Bahadur Chand, on Sunday regarding the issue.

A spokesman of the Indian Embassy here said that there had been harassment of Indians working and living in Nepal. This, he said, has been brought to the notice of the Indian Embassy by Indians working in Nepal. They had come to the Embassy to make the complaints, he said and added that the embassy also based its charge on independent assessment.

The embassy officer stated that a few truck-loads of Indians were picked up at random, put in a truck and sent across the Indo-Nepal border at Raxaul. The Embassy, he stated, was at a loss as it did not understand why the Indians had been deported as they had not violated any existing Nepalese laws.

Regarding the Indian Ambassa-

CSO: 4600/1605

## WHEAT TO BE IMPORTED DESPITE RECORD PRODUCTION

Calcutta THE STATESMAN in English 6 Sep 83 p 7

[Text] NEW DELHI, Sept. 5.--Although the Union Government announced on Saturday that it was importing 500,000 tons of wheat from Canada, the Ministry of Agriculture today claimed that wheat production has touched a new peak in 1982-83.

The claim, made by the Ministry of Agriculture today, seemed out of place in the context of the decision to import wheat to maintain the buffer stock. It was claimed that wheat production in 1982-83 was 42.5 million tons, an increase of 12.4% over the previous record of 37.8 million tons in 1981-82. Not only "has the plan target of wheat for 1982-83 been exceeded, but also the target of 1983-84 achieved in 1982-83" an official release said.

Also, estimates of rabi production, including wheat, received from the States, indicated that it had touched a record level of 58.9 million tons during 1982-83, compared to the previous highest production of 54 million tons in 1981-82, an increase of 9.1%.

Uttar Pradesh alone accounted for an increase of 2.4 million tons of the total increase of 4.7 million tons in wheat production in 1982-83. Rajasthan and Punjab also achieved "substantial increase" in production over the previous year.

There were significant increases in the per hectare yield of wheat in several States besides U.P., such as Haryana, Rajasthan and West Bengal. Punjab for the first time crossed the 3,000 kg-per-hectare mark and achieved a yield of 3,007 kg per hectare, it was claimed.

The maximum per hectare increase recorded was in West Bengal--almost 860 kg. It was 270 kg of Rajasthan, 219 kg in U.P. and 166 kg in Haryana. Significantly, the release did not mention the increase in Punjab.

The record wheat production and increase in rabi foodgrain "becomes more striking" as 1982-83 was marked by severe and widespread drought during the kharif season and untimely rain in spring. The credit for the achievement has been given to the special efforts made under the compensatory rabi production campaign in different States, under which farmers were assisted in

obtaining adequate and timely supplies of crucial inputs like electricity, diesel irrigation, improved seeds and fertilizer. A massive programme for free distribution of seed minikits of cereals and pulses was also organized.

Thirteen lakh quintals of certified seeds of wheat and rabi pulses were distributed during the rabi season. Similarly, more than 4.1 million tons of chemical fertilizers were distributed during the rabi season against 3.7 million tons during the 1981-82 rabi season.

The release said that it had been decided to organize a rabi production campaign in the country, to be supported by a National Agricultural Inputs Fortnight from September 26 to October 10. During the fortnight, the Centre States, village authorities and other agencies "will be mobilized for ensuring easy, timely and adequate availability of seven key agricultural inputs to the farmers", it added.

CSO: 4600/1604



## HINDU ANALYST CONTINUES REPORTS ON SRI LANKA

## Foreign Policy Clouded

Madras THE HINDU in English 31 Aug 83 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Aug. 30.

The Prime Minister, Mrs. Indira Gandhi, and her foreign policy advisers will be faced with some difficult problems during the next few weeks in the conduct of India's neighbourhood diplomacy, as they remain preoccupied with the pursuits of the non-aligned movement and preparations for the Commonwealth conference.

Though the Sri Lanka tangle continues to engage the Government's attention, it is the political turmoil in Pakistan followed by threats of a military crackdown that is causing considerable concern because of the wider implications of these events in the South-West Asian region.

The stalled Indo-Pakistan discussions on the twin proposals for a no-war pact and a treaty of friendship are not likely to be resumed in this situation. If and when the two countries are ready to talk again on the subject, the whole dialogue will have to be conducted in an entirely different context on the basis of an altogether new security concept with a shared commitment to uphold certain basic values for the preservation of peace, stability and freedom.

**Denial of rights:** The continued denial of basic democratic rights to the people of Pakistan will render any no-war pact or friendship treaty or both its content and purpose in this uneven political atmosphere with no binding traditions or emotions to hold the two peoples together with a measure of mutual trust and confidence. The two countries cannot co-exist peacefully in a vitiated atmosphere in which the military dictatorship tends to look upon the political system in India with grave misgivings as though a free society in a neighbouring country poses *ipso facto* a threat to its existence by providing enough provocation to the people to rise against this tyranny and fight for their democratic rights.

A mere renunciation of the right to use

force for settling disputes cannot by itself meet the requirements of the new situation created by the current political upheaval in Pakistan which has raised larger issues.

**Cannot remain silent:** Similarly, the unfortunate events in Sri Lanka have obliged India to take a stand on the brutalities inflicted on the people of Indian origin in the island to make it clear that this country cannot remain silent over their continued ill-treatment, in offering its good offices to bring about a lasting settlement. India has not in any way arrogated to itself a mediatory role, but has asserted in an unmistakable manner its special interests there.

The developments in Sri Lanka and Pakistan have thus posed serious foreign policy problems for India, which will test its ability and determination in upholding certain values. It can no longer afford to acquiesce in the Sri Lankan stand that the Tamil problem is an internal affair, since the ill-treatment of this minority vitally affects its own enlightened self-interest. The developments in Pakistan have, likewise, rendered the earlier no-war dialogue totally redundant in the changed circumstances.

But a strained relationship with Sri Lanka and Pakistan will complicate India's dealings with Nepal which is still persisting in its pet proposal for a zone of peace and Bangladesh which is unnecessarily making an issue of the decision to erect a barbed wire fence to check illegal immigration.

**Border talks with China:** Though India does not strictly fall within the ambit of a neighbouring country, it will certainly try to exploit the tensions between India and its neighbours to extend its own influence in the South Asian region. The next round of the border talks are due to take place at the end of October or in early November, but there is little hope of any progress since neither side has made any worthwhile moves during the previous three rounds to open the way for substantive discussions.

## Parthasarathy's Task

Madras THE HINDU in English 1 Sep 83 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Aug. 31.

The Sri Lanka President, Mr. J. R. Jayewardene is reported to be still harping on the idea of restricted local autonomy for the Tamil community through the district development councils, while continuing to resist the proposal for a federal set-up within the framework of a single nation.

The farthest he has gone is to have a Cabinet Minister directly in charge of each district to ensure that these councils function effectively.

But this offer is not acceptable to the Tamil United Liberation Front leaders, since these councils are at best only glorified zilla parisheds with no voice at all in the actual administration of the districts, which are directly controlled from Colombo under the existing pattern of unitary Government. So it cannot be deemed by any stretch of imagination to be a credible alternative to a federal form of Government with the island divided into several States to provide adequate local autonomy for the people.

There are altogether 23 districts in Sri Lanka, including the newly created Kilonichi below the Jaffna peninsula, which was done to detach this area from the predominantly Tamil region. In the elections held to the district development councils in June, 1981, the TULF emerged with big majorities in the Jaffna, Mannar, VaVuniya and Mullaitivu districts, while the ruling UNP managed to win in Batticaloa by taking advantage of the Hindu-Muslim differences.

The argument that is being advanced by Mr. Jayewardene is that the TULF would be able to run at least four of these 23 district councils and exercise an influential voice in another three if it is prepared to cooperate in the experiment. But the TULF leaders see in this move a deliberate attempt to sidetrack the issue of a full-fledged federal set-up as an alternative to separation.

**No meeting ground:** There is thus no meeting ground yet between the Sri Lanka Government's insistence on the retention of the present unitary system of Government with only some cosmetic changes and the refusal of the TULF leaders to give up their demand for a separate State in the absence of an adequate assurance of a federal set-up offering their due share of power to the Tamil people.

It will require a lot of painstaking effort on India's part to bridge the gulf and evolve a mutually acceptable basis for engaging in substantive negotiations for a lasting political solution. The Prime Minister's envoy, Mr. G.

Parthasarathy, has been able to impress on all concerned that in offering its good offices to bring the two sides together, India was not aspiring for any special role other than lending a helping hand in enabling them to arrive at a permanent settlement.

The talks he has been having in Colombo with Mr. Jayewardene and his Cabinet colleagues, the leaders of other Sinhalese parties and representatives of the Tamil community have been quite useful in creating a better awareness of the need for a balance of concessions by both sides in a spirit of reconciliation. As a logical follow-up to these wide-ranging discussions, he is likely to pay a brief visit to Jaffna to meet other Tamil leaders who have not been able to go to Colombo to see him.

It was at Mr. Parthasarathy's insistence that the Sri Lanka Government made the necessary security arrangements to ensure the safety of the secretary-general of the TULF, Mr. A. Amirthalingam, so that he could fly from Madras to Colombo to make himself available for these discussions. So there should be no difficulty in Mr. Parthasarathy himself going to Jaffna if he felt such a step would be useful as a confidence-building measure.

After restoring some degree of confidence among the persecuted Tamil people who had recently gone through a nightmarish experience, the necessary consensus will have to be evolved step by step in the two ethnic communities for a compromise solution. A climate of opinion has to be created among the Sinhalese majority that it has really nothing to lose by giving the Tamil minority its due share of power, while a parallel effort has to be made to impress on the Tamils that they have everything to gain by sharing power with the Sinhalese with adequate safeguards for the protection of its political, economic and cultural interests.

**Deft handling by GPK:** The current visit of Mr. Parthasarathy has to be viewed only as a starting point in a long drawn out exercise of bringing the two communities closer, almost inch by inch, as it were, to the point where they are prepared to engage in a serious dialogue. As an accomplished diplomat, with a good grasp of the complexities of Sri Lanka's ethnic problem, he has certainly succeeded in soothing the ruffled tempers and providing a healing touch to the extent possible in these difficult circumstances.

The Government is, therefore, quite satisfied with his deft handling of this highly sensitive diplomatic assignment, and the strategy for the next stage of this effort will be decided after Mr. Parthasarathy's return to Delhi.

## Emissary's Talks

Madras THE HINDU in English 3 Sep 83 p 1

[Article by G. K. Reddy]

NEW DELHI Sept 2

[Text] The Prime Minister's special envoy, Mr. G. Parthasarathy, has returned from his week-long visit to Colombo with the distinct impression that there might be some encouraging developments in the near future opening up the possibilities of negotiable basis for meeting the substance of the Tamil community's demands within the framework of a united Sri Lanka.

But in reporting the outcome of his mission to Mrs. Gandhi today, he did not minimise the many hurdles that still remain to be overcome before the Jayewardene Government and Tamil United Liberation Front (TULF) leaders could get down to detailed discussions.

As an emissary of the Indian Prime Minister, Mr. Parthasarathy did not put forward any proposals as such for resolving this complex problem, but in helping the Sri Lanka Government and the leaders of the Tamil community to formulate their ideas of what would be a reasonable basis for a settlement, he tried to establish some common ground for negotiating a settlement.

It was, however, made quite clear to the Sri Lanka President, Mr. Jayewardene, that his concept of a settlement within the present unitary Constitution for limited local self-government at district level through development councils with some enhanced power would not meet the requirements of the present situation.

The TULF leaders could not be persuaded to give up their demand for a separate State unless they were assured of real regional autonomy with full executive, legislative and judicial powers to safeguard their interests.

The Sri Lanka President continued to maintain that the island was too small to be divided into separate States with a federal set-up and that the same purpose would be served by reactivating the district councils and expanding their powers to give the local communities an adequate sense of participation in the developmental activities of their respective regions. But he was totally averse to the very idea of granting the Tamil community local autonomy in areas where they were in majority in the name of a federal form of Government.

One of the ideas under consideration was to convene an informal meeting of all party leaders to exchange views on what would be a widely acceptable basis for finding a lasting settlement of Sri Lanka's ethnic problem.

If the Sinhalese leaders arrive at a consensus on what should be done to meet the substance of the Tamil community's demand for an adequate share of power at various levels of Government, then a proper round table conference could be held at an appropriate stage to negotiate a broad-based political settlement for satisfying the legitimate aspirations of the Tamil people.

The question of the remaining stateless persons of Indian origin was discussed during Mr. Parthasarathy's visit and he was assured

that the Sri Lanka Government would grant them full citizenship in due course. There were some 150,000 persons in this category and Mr. Jayewardene had promised when he came to Delhi for the non-aligned summit in early March that to start with he would grant them full civic rights.

The question of restoration of the damaged properties taken over by the Sri Lanka Government to their rightful owners was also discussed, but Mr. Jayewardene and his advisers seemed to be toying with the idea of diversification of trade by reallocating some of the business premises in the course of returning the rest to the Tamils who owned them. Mr. Parthasarathy was, however, given a general assurance that the rights of the original owners would be respected, without defining to what extent it would be done in consonance with the new policy of economic diversification.

There was also some reference during these discussions to the harassment of Indian fishermen in the Rameswaram area by the Sri Lankan navy and Mr. Parthasarathy was told that the detained fishing boat with the eight missing fishermen would be released soon. He was also assured that complaints of harassment would be looked into and suitable steps taken to prevent them in future.

According to official sources who summed up the outcome of Mr. Parthasarathy's visit, it helped to make the leaders of the Sinhalese and Tamil communities at least to start thinking of a lasting political solution to their ethnic problems without going through the trauma of recurring violence. Though it was too early to think in terms of a breakthrough in bridging the gulf and opening up the possibilities of an early settlement, the visit had certainly helped to open the way for some movement forward in the near future.

And when Mr. Parthasarathy goes to Colombo in another fortnight to resume his talks with both sides, they would have muddled over the ideas emerging from the earlier discussions and come to some tentative conclusions on how far they could go in narrowing down their differences and exploring the possibilities of a compromise without giving up their rigid positions in advance. The most important and perhaps the only positive gain for the time being is a slight abatement of the inflamed passions in the wake of a general expectation of a renewed effort to settle this tragic problem before the island is rocked by yet another convulsion.

### PAC briefed

The Political Affairs Committee of the Cabinet, which met here today, is understood to have been apprised of the talks Mr. Parthasarathy had with Sri Lanka leaders, reports PTI.

Madras THE HINDU in English 4 Sep 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Sept 3

There is considerable satisfaction in governmental circles here that as a result of India's good offices the Sri Lanka President, Mr. J. R. Jayewardene, and the Secretary-General of the Tamil United Liberation Front (TULF), Mr. A. Amirthalingam, were able to meet today in Colombo for the first time after the recent orgy of violence against the Tamil people.

The TULF leader who arrived in Madras tonight, will reach Delhi tomorrow for further talks with the Prime Minister, Mrs. Indira Gandhi, and her special emissary, Mr. G. Parthasarathy, to review the developments and assess the latest position.

As India sees it, the fact that Mr. Jayewardene and Mr. Amirthalingam have been able to meet despite their sharp differences is much more important than what actually transpired during their 45-minute discussion. According to reports from Colombo, the meeting went off reasonably well although the two continued to view Sri Lanka's ethnic tangle from diametrically opposite positions.

### A cause for worry

The Prime Minister's envoy, Mr. Parthasarathy, is due to go back to Colombo in a week's time to resume the threads of his earlier exchanges in a slightly better atmosphere. But what is worrying India, meanwhile, is how the Tamil community is going to react to the mandatory deadline of September 7 set for taking a new oath of loyalty to the concept of a single Sri Lankan State under the sixth amendment to the Constitution hastily enacted last month by the Jayewardene Government.

Though Mr. Amirthalingam and his colleagues who are members of Parliament need not comply with this requirement if they do not choose to attend Parliament until they have exhausted their entitlement of absence from the date of commencement of the current session, the Tamils in Government service will have to take the oath before the prescribed deadline.

The Sri Lanka President has expressed his inability to extend it pending the commencement of a dialogue with the leaders of the community, since this has now become a mandatory provision of the Constitution.

It is India's hope and expectation that Mr. Jayewardene and Mr. Amirthalingam will be able to follow up the personal contact they established today with more purposeful steps in the near future to open the way for an informal meeting of all party leaders to discuss and decide upon a widely acceptable approach to substantive discussions.

It is not necessary for the Sinhalese or Tamil leaders, in India's view, to publicly abandon their

stated positions before embarking on detailed negotiations to find a lasting political solution.

One of the first tasks for men of moderation on both sides is to isolate the extremists in their respective camps and then make a patient effort to convince them that there is no alternative to an honourable compromise between the two communities for sustaining the island's integrity and independence. The Sinhalese leaders have to reconcile themselves to the thought that the only alternative to separation is a full measure of regional autonomy within the framework of a single nation.

As leader of the TULF, Mr. Amirthalingam also faces an equally difficult responsibility in carrying the Tamil Tigers with him in negotiating a political settlement with the Government. But those who know him are quite confident that he would be able to do so, if only Mr. Jayewardene can bring round the hardliners in his Government to agree to greater autonomy for the Tamil minority in the Northern part.

Mr. Jayewardene's contention that, under the present Constitution, Sri Lanka is a union of districts and not of States as in India, and that any attempt to change it would land the Government in trouble with the Sinhalese majority cannot cut ice in the wake of the recent violence. It is regarded by the Tamil community as no more than a hair-splitting argument to evade the issue since what is being sought is not a constitutional settlement but a political solution.

All these aspects will have to be discussed at some length during Mr. Amirthalingam's stay in Delhi before proceeding with the next stage of India's efforts to find way out of this complex situation. And as a starting point for it, a proper assessment has to be made of the tone and temper of Mr. Amirthalingam's talk with Mr. Jayewardene to arrive at a right conclusion about how far he would be prepared to go in settling this problem.

### Fishing resumed

MADURAI, Sept 3

Fishing operations in the sea off Rameswaram were resumed on Friday, following a personal assurance from the Tamil Nadu Fisheries Minister, Mr. S. R. Radha, that adequate steps had been taken to protect fishermen from possible attacks by the Sri Lanka coast guard. The Minister formally re-inaugurated the fishing operations.

Fishing by mechanised boats was suspended in August following alleged incidents of attacks on Indian fishermen. They resorted to relay fasts from August 22 to demand protection by the Centre against attacks. — From Staff Reporter.



Madras THE HINDU in English 7 Sep 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Sept 6

The Secretary General of the TULF, Mr. A. Amirthalingam, will be paying a brief visit to London later this week for explaining the Tamil community's point of view to senior Ministers and officials in the British Government who have been closely following the Sri Lankan developments.

He is due to go back to Madras for a day or two before going to London and then get back to India in time to be able to reach Colombo for consultations when the Prime Minister's special envoy, Mr. G. Parthasarathy, arrives there to resume talks with the Sri Lankan President, Mr. J. R. Jayewardene, and his colleagues.

If he can find time, Mr. Amirthalingam may pay a flying visit to Bonn from London to meet the leaders of the West German Government and apprise them of the Sri Lankan situation. He has also invitations from several Scandinavian countries which have been greatly concerned over the recent holocaust in Sri Lanka which had been widely reported by the press, radio and television in Europe.

**Open communication line:** The Western countries, including the U.S., which have political, economic or strategic interests in Sri Lanka do not want to alienate the Tamil community altogether by identifying themselves unduly with the Jayewardene Government. So it is quite understandable that they are keen on keeping an open line of communication with the Tamil community through Mr. Amirthalingam.

A more significant development is that almost all of them have been privately advising Mr. Jayewardene and his colleagues to utilise India's good offices in finding an amicable settlement of the Tamil problem. So none of the countries that the Sri Lanka Government had approached for assistance has in any way encouraged it to imagine that foreign military aid would be forthcoming in the event of a scrap with India as a result of renewed violence against the local Tamil people.

**Appreciation of India's effort:** There is greater appreciation abroad now of India's well-meaning initiative to lend a helping hand in resolving this tragic tangle in Sri Lanka and nobody is accusing Mrs. Gandhi of interfering

in the internal affairs of the island in stressing the need for a lasting political settlement. The foreign diplomats in Delhi who have been keeping their governments informed of Mrs. Gandhi's efforts have not been giving any credence to the Sinhalese accusation that in pressing for a fair and equitable settlement of the Tamil problem India was in effect trying to impose its hegemony on this neighbouring nation.

The Western countries also realise that a prolongation of this tragedy in Sri Lanka through a failure of the current Indian efforts to assist the two communities in finding a reasonable settlement would embitter feelings further and inflame passions to such an extent that it would end up in a much bigger upheaval leading inevitably to a Cyprus type situation. They are keen on averting such a development since any polarisation of this kind would render Sri Lanka highly vulnerable to superpower involvement because of the island's strategic importance.

**Good relations with TULF:** It is because of these complexities that countries like Britain have shed their earlier inhibition and are now ready to establish good relations with the TULF leaders in a balancing effort to preserve their influence. The hardliners in Mr. Jayewardene's Cabinet would be sadly mistaken if they continue to rely on the support of these powers in resisting the Indian pleas for a political solution to meet the legitimate demands of the Tamils.

The international climate is thus in favour of an early settlement of the Sri Lanka crisis through India's good offices. So the Government of India has welcomed Mr. Amirthalingam's decision to make a brief trip to London to create a better awareness abroad that the Tamil community was ready for a reasonable compromise that enables it to live with dignity and security on a footing of complete equality with the Sinhalese majority as a single nation.

The TULF leader, who will be accompanied by his wife, will have an opportunity to meet their elder son who has been living in exile in London.



## INDIA CONCERNED OVER SRI LANKA ABILITY TO PAY

Madras THE HINDU in English 29 Aug 83 p 9

[Article by G. K. Reddy]

[Text] The Sri Lanka High Commission in Delhi said today that the Vice-President of the World Bank, Mr. David Hopper, assured the Sri Lanka President, Mr. Jayewardene, after the recent disturbances that the World Bank would continue to support his economic development policies and programmes.

It was stated that Mr. Hopper had also told the Sri Lanka Ambassador in Washington that no "accredited World Bank representative" had commented on the internal developments in Sri Lanka, alluding to reports that the World Bank and the International Monetary Fund were concerned about the economic dislocation that might be caused by any abrupt bid to dislodge the Tamils from key sectors in the name of encouraging increased Sinhalese participation.

But a number of other countries like India with investments or aid programmes in Sri Lanka have been given a different impression either through their executive directors or other sources. The ambassadors of some of the Western countries based in Delhi, who are concurrently accredited to Sri Lanka, have been talking of the reported concern of the World Bank and IMF to stress their own misgivings about the serious economic consequences of the systematic destruction of properties owned by persons of Indian origin in Sri Lanka.

The Sri Lanka Government has estimated the damage at \$200 millions (Rs. 200 crores) while the Tamil United Liberation Front leader, Mr. A. Amirthalingam, said the loss would be twice this amount. But both these estimates are based on the old valuations of these properties while the present repair and replacement cost would be many times higher because of the sharp rise in prices.

IMF team for Sri Lanka: The IMF, which is sending a team to Sri Lanka shortly for an annual review of its economic performance will have to satisfy itself whether any policy changes contemplated by the Government will meet the prescribed criteria before recommending the release of the next tranche of the loan. The Sri Lanka Government may not be able to provide the money from its own limited resources for the repair of the damaged industrial units.

As the money will have to come either from international financial institutions like the World Bank and IMF or some friendly countries including India in the form of soft loans, any ill-advised attempt to cause further dislocation in the economy by interfering with the ownership structure is bound to be looked upon with disfavour by them.

It will take at least a year if not longer to repair the damaged industrial units and resume production even if the money is made available for replacing the destroyed equipment. Some international economists with good knowledge of local conditions have voiced the fear that Sri Lanka's economic development has suffered a serious setback which will take at least three years to recover from this setback under normal conditions.

It is for this reason that friendly countries and international financial institutions interested in Sri Lanka's welfare are concerned at the reported moves to dislodge the Tamils from key sectors of the economy under the guise of offering equal opportunities to all communities, especially the Sinhalese who constitute 80 per cent of the population.

It is with the best of motives to help Sri Lanka's recovery rather than hamper it that they have been cautioning against any rash moves that could lead to further dislocation.

CSO: 4600/1589

## ANALYST QUOTES DIPLOMATS ON AFGHANISTAN DEVELOPMENTS

Madras THE HINDU in English 28 Aug 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Aug 27.

The current unrest in Pakistan, which might recur on a bigger scale after some time even if Gen. Zia-Ul-Haq succeeds in crushing the present agitation, is causing a serious setback to the U.N. Secretary-General, Mr. Javier Perez de Cuellar's efforts to find a widely acceptable solution to the Afghan problem.

According to diplomatic circles in Delhi, the Babrak Karmal regime in Afghanistan is also waiting to see what happens in Pakistan before committing itself to a time-bound withdrawal of Soviet forces by an agreed deadline.

Mr Perez de Cuellar had evolved what was then described as an agreed framework for further talks after discussing the main elements of a peace formula with the Pakistan President, Gen. Zia-Ul-Haq, the Afghan Premier, Mr. Sultan Ali Kishmand, and the Iranian Premier, Mr. Mir Hussein Musavi, during the non-aligned summit in March last.

At the subsequent round of indirect talks that were held in Geneva in April, enough progress was made in narrowing down the differences on the key issues of a phased withdrawal of Soviet forces, mutual guarantees of non-interference and respect for each other's territorial integrity between Pakistan and Afghanistan, adequate international assurances to respect the independence and non-aligned status of Afghanistan, and finally return of the Afghan refugees in conditions of security and self-respect as well as political and religious freedom.

**Insistence on withdrawal:** But Pakistan's position hardened before the June round was held, after its Foreign Minister, Mr. Yaqub Ali Khan, visited the capitals of the five permanent members of the Security Council for an exchange of views on the possibilities of an amicable settlement of the Afghan problem. The talks ran into difficulties when Pakistan started giving greater weightage and insisting on a

higher priority to the withdrawal of Soviet forces in the sequence of the four-stage agreement under contemplation.

As the U.N. special envoy, Mr. Diego Cordovez, could not evolve an agreed formulation reflecting the views of both Pakistan and Afghanistan, he postponed his proposed visit to the area for further discussions to clear the way for the next round of talks in September for carrying forward this complex dialogue. Amidst its preoccupation with the domestic political developments, the Pakistan Government now is in no mood to engage in any serious negotiations on Afghanistan.

**Pause in U.N. efforts:** There is thus a definite pause in the U.N. efforts to settle the Afghan problem, but Mr. Cordovez is reported to be keen on avoiding the impression of an indefinite postponement of further discussions on the subject. The Secretary-General was hoping to meet Gen. Zia and Mr. Kishmand in New York during the General Assembly session.

But it is not certain whether Gen. Zia will be able to go to New York at the end of September in view of the current agitation in Pakistan. There is no confirmation either whether Mr. Kishmand will be attending the General Assembly session.

At one stage of these U.N. mediatory moves, both the United States and the Soviet Union evinced a lot of interest hoping that these efforts might pave the way for a reasonable settlement. But lately the two super powers have not been unduly enthusiastic about the idea of an early settlement of the Afghan problem.

The non-aligned countries like India, which have welcomed the U.N. initiative, continue to hope that the talks would be resumed soon. The continuance of the present stalemate in these negotiations would only add to the complexities of the Afghan problem in the wake of the present unrest in Pakistan.

CSO: 4600/1589

## INDIAN BORROWINGS REPORTED TO RISE TO \$539 MILLION

Bombay THE TIMES OF INDIA in English 3 Sep 83 p 9

[Article by Dilip Mukerjee]

[Text] KUALA LUMPUR, September 2. India borrowed \$539 million from international banks spread over seven deals in the first half of this year compared with just over \$300 million in the same period of 1982.

This is in continuation of the surge witnessed since 1980. But it cannot go on much longer even though the need to supplement aid flows in this manner will be as pressing, if not greater, in the next few years.

This is because of a two-fold constraint now in operation, one being the sharp rise in the burden of repayments for loans already contracted and the other being the precipitate of lenders from the market place in the wake of the Latin America debt crisis.

From 1979 to 1981, India paid out just over a billion dollars a year to repay the principal and meet interest charges on its debts. The liability this year is at least 40 per cent higher and will continue on present indications to rise. India, has, therefore, no choice but to desist from aggravating this heavy drain.

Even if it does not itself pull back, the reluctance of lenders will force it to do so. This reluctance is not specific to India; it applies to all developing countries outside OPEC's charmed circles.

What this reluctance means in concrete terms is brought out in a study just issued by the International Monetary Fund on lending by commercial banks in 1982 to various groups of countries.

#### Reduced Lending

Total worldwide lending fell sharply last year, as was only to be expected because of the severity of the recession. The drop, the first since 1977, brought net lending in 1982 down to three-fifths of the previous year's figure. Within this overall picture, the fall in the case of the non-oil less developed countries (LDCs) was to be less than half of what the bankers provided them in 1981.

As a result, bank loans were not helping to bridge the balance of payments deficits of the non-oil LDCs to anything like the same extent as in 1981. Despite the fact that the deficits were considerably lower--by compulsion of circumstances rather than choice--bank loans financed a little over a quarter in 1982 against almost a half in the previous year.

Another indicator of the financial squeeze on the non-oil LDCs is the fall in the sums they keep in deposit with the international banking system. From \$9 billion in 1981, this declined to \$5 billion in 1982.

Indian deposits around the end of 1982 amounted to as much as \$2.8 billion against which it had borrowed less than \$700 million leaving it with a net credit of almost \$2.2 billion--according to an estimate made by Chase Econometrics, the U.S. forecasting agency affiliated to one of the largest commercial banks in the world. This relatively strong position may well have deteriorated since this estimate was offered in November 1982 because of the recession-induced slack in Indian exports.

Despite the signs that the international recession is coming to an end, private lending to the LDCs is still on the decline. In the first quarter of this year, the total amount banks made available to all customers was about the same as a year ago.

But as the IMF report points out, four-fifths of the portion lent to the LDCs went to just two borrowers--Brazil and Mexico. There was thus a substantial decline in loans to other LDCs, reflecting the preference of international banks for curtailing lending to governments in favour of privately-placed loans for projects and trade.

#### Banks Wary

This fall in lending is not because banks do not have the cash to lend. There has no doubt been a fall in the inflow of petrodollars to international banks. Against \$41 billion thus received from oil exporters in 1980, there was a net outflow back to them of \$19 billion in 1982 meaning a net change of \$60 billion. But this was not what held lending back.

According to the IMF study, the real reason was the lack of "willingness" on the part of bankers to add to their exposure to the LDCs rather than their "ability" to lend.

Worse is in store. The study sees total bank lending to the non-oil LDCs to be in the region of \$15 billion this year, compared with \$25 billion in 1982 and \$51 billion in 1980. Given this overall shrinkage, loans like the one India obtained of \$400 million for the ONGC may still be forthcoming but not for projects without the same sort of immediate and assured cash flow.

In any case, the cost of borrowing will be higher. For the ONGC loan, India is required to pay half per cent more than what it costs bankers to borrow



from each other on the London market. Against this, the average margin or spread as bankers call it on loans to the LDCs was over one per cent. And the tendency is for this to rise further.

The higher cost will be a deterrent. If interest rates are discounted for inflation to arrive at the real cost of money, this is now much higher than for many, many years. This is why every country, India included, will have to restrain its borrowing.

CSO: 4600/1597

## ASSAM CHIEF MINISTER MEETS PRESS; STATEMENT REPORTED

Calcutta THE STATESMAN in English 3 Sep 83 pp 1, 9

[Text] A GROUP of extremist elements in AASU had crossed over to Burma recently, the Assam Chief Minister, Mr Hiteswar Saikia said at Calcutta airport on Friday. The extremist section of AASU had forged links with extremists of Manipur, Nagaland and Meghalaya, he said and added that they were not only trying to foment trouble but were actually resorting to acts of sabotage in the Bramhaputra valley.

The Chief Minister, who was talking to reporters after having arrived from Gauhati for his tow-day stay in Calcutta, said he had received information that a group had crossed over to Burma, but could not say the exact number, Mr Saikia alleged that some of the AASU members had a RSS background and were receiving support from the Lok Dal, BJP and the Janata Party. These parties were trying to create trouble in Assam with the help of AASU, he complained. The State Government, however, was keeping a sharp eye on the situation and meant to contain them politically.

Replying to a question on the present phase of agitation by AASU Mr Saikia said that "the people of his State had ignored the Assam bandh and Janata curfew calls" given by the agitators on August 29 and 30. Barring a few places, life in Assam had been "normal" he said.

Mr Saikia said he had written to Chief Ministers of other States to provide judges--retired or sitting--to his State to form tribunals for identification of "foreigners" in Assam. He would require 46 judges from outside Assam for 23 tribunals. Every tribunal would comprise three judges, including one from Assam and two from other States. Already he had got 17 judges from outside Assam. The tribunals would start work from October.

The Chief Minister said he would soon visit the relief camps in Alipurduar where refugees from Assam were staying. He had to cancel his proposed visit earlier because of bad weather, he added.

Mr Jyoti Basu told reporters at Calcutta airport on Friday that the Assam Government had not yet prepared any time-table for taking back the refugees. Arrangements for trains to send the refugees to Assam would be made after the time-table was received from the Assam Government, he said.

Mr Basu, who was on his way to Delhi to attend a meeting of the CPI(M) Politburo, said that he would meet the Union Minister for Railways, Mr A. B. A. Ghani Khan Chowdhury, and the Industries Minister Mr N. D. Tewari during his stay there. Mr Basu is likely to return either on Sunday night or Monday morning.

UNI and PTI add: Earlier, making a statement in the Assam Assembly Mr Saikia said that the fresh agitation programme of the movement leaders had created uncertainties in the resumption of talks on the aliens' issue.

The Chief Minister said that as the problem of the aliens' issue had now been narrowed down to the entrants between 1961 and 1971, the Government was trying to find out a solution by keeping contacts with all the parties concerned.

Mr Saikia charged the agitation leaders with trying to create disturbances at a time when the Government was making efforts to restore peace and normality. He referred to the murder of a revenue officer at North Lakhimpur yesterday for attending his duty during the 36-hour bandh on August 29 and 30 and some other sporadic attempts to create violence in the wake of the fresh stir.

The Chief Minister alleged that a section of AASU and the AAGSP were trying to continue the movement so that the foreigners' issue could be dragged to the next elections to gain political advantage of the situation.

Tension prevails in North Lakhimpur in Upper Assam following the death of the revenue officer according to official sources.

The one-man commission of inquiry to go into, among other things, the circumstances leading to the disturbances in Assam early this year, has issued notification inviting people acquainted with the subject matter of the inquiry to furnish to the commission affidavits containing statement of fact on or before September 30.

CSO: 4600/1599

**BUSINESSMEN MEET WITH SOVIET DEPUTY CHAIRMEN**

New Delhi PATRIOT in English 3 Sep 83 p 7

[Article by Vinod Taksal]

[Text] MOSCOW, Sept 2--The private sector in India has invited Soviet investment in terms of raw materials and machinery on buy-back arrangement, and offered to participate in third country ventures in a big way.

On its part, the Soviet Union has offered transfer of technology, subject to Indian Government's approval, and bulk purchases of Indian consumer and industrial goods, both from private and public sector, to meet its huge demands of imports.

This is the off-shoot of the high level talks a delegation from Associated Chambers of Commerce and Industry (ASSOCHAM), led by Mr Raunaq Singh has had here over the last four days, including with Deputy Premiers Ivan Arkhipov and Guri Marchuk.

Mr Arkhipov, during his 70-minute meeting with the delegation this afternoon, is understood to have assured the Indian industrialists that Soviet trade deficit would not stand in the way of expanding commerce between the two countries.

He reportedly told Mr Raunaq Singh that the RS 300 crore deficit had already been slashed down to Rs 130 crore following the supply of extra one million tonnes of crude oil to India, agreed upon this year. 'The balance is too small and would diminish further over the next two months' he is quoted as having said.

Mr Arkhipov, according to Mr Raunaq Singh referred to the Rs 3,000 billion worth annual total import bill of the Soviet Union and remarked that his country would be happy to have its requirements met by India as much as possible. The industrialists agreed to take up the offer provided the Soviets gave technology, machinery and raw materials on a buy-back basis.

During the conversation, Mr Raunaq Singh is learnt to have noted Soviet Union's preferential treatment of the public sector and underlined that 65 per cent of economy was being controlled by the private sector. He, however, hastened to add that public and private sectors were not at odds against

each other, and together could meet the Soviet demands, and help double up the current trade level over the next five years.

Mr Arkhipov is reported to have impressed upon the delegation that the Soviet Union wanted India as a whole to flourish and become strong, and that it valued friendship with India.

The delegation had earlier met Deputy Premier Guri Marchuk, who according to Mr Raunaq Singh offered transfer of high-level technology to the country.

Mr Marchuk, who is also chairman of Science and Technology Committee is learnt to have thrown up some valuable suggestions for expansion of future trade and commerce links, and hinted that the Soviet Union would help India develop various fields, including ship-repair and ship-building facilities and oil-rig manufacture.

Mr Raunaq Singh said the discussions with Soviet leader were very fruitful and that his delegation's visit was a 'great success' ASSOCIAM would take up the issues with the Central Government now. The delegation leaves tonight on visit to GDR, Poland and Hungary.

Today's talks are expected to make Union Commerce Minister V P Singh's task easy when he arrives here on 7 September to finalise the annual and five-year trade plans between the two countries.

CSO: 4600/1600



## RAJIV SPEAKS ON NONALIGNED MOVEMENT ANNIVERSARY

New Delhi PATRIOT in English 2 Sep 83 p 10

[Text]

Congress-I general secretary Rajiv Gandhi on Thursday decried attempts by super powers to run down independent views of developing countries on various issues.

Delivering the keynote address at a meeting organised in connection with the founding day of the Non-aligned Movement, in New Delhi, Mr Gandhi told a distinguished gathering of Indian and foreign diplomats, that some powers talked of democracy when it was convenient to them while in fact they supported dictators all around the world.

Tracing the history of the movement, Mr Gandhi noted its stupendous growth during the last 22 years. The most crucial task before the movement today, stressed Mr Gandhi, was to remain 'truly independent' in thought, word and action.

Expressing concern over the tendency of most of the new leadership in the developing countries to succumb to quick material progress without realising the cost they had to pay for it.

Strongly decrying the accumulation of 'horrendous' weapons by the developing countries, Mr Gandhi said we were in fact "just a few seconds away from annihilation".

Chairman of the Economic Administration Reforms Commis-

sion L K Jha stressed the need for closer South-South cooperation.

"Unless NAM collectively bargains for better prices and more markets the concept of new international economic order will remain confined to seminar halls and international forums", he said.

Former External Affairs Minister Dinesh Singh said that the biggest task before the Non-aligned Movement was bringing about disarmament. "Once there is total disarmament funds will automatically be released for more economic progress", he explained.

In his welcome address, Union Minister of State for Disarmament A A Rahim reiterated India's support for efforts to democratise decision-making at the global level.

There should be no attempt to impose any country's view or will on any one else. Instead of confrontation, persuasion should be adopted to bring about total consensus, he added.

PRESS REPORT, DENIAL ON PROBLEMS WITH DPRK ENVOY

Report on Withdrawal Request

Bombay THE TIMES OF INDIA in English 3 Sep 83 p 1

[Text] NEW DELHI, September 2: India has tried to secure the withdrawal from New Delhi of the North Korean ambassador but has failed.

New Delhi sent a special emissary to Pyongyang to convey it to the North Korean government that the ambassador had ceased to enjoy the confidence of the Indian government and that no useful purpose would be served by keeping him there. He drew a blank.

The problem arose with a first secretary of the North Korean mission was found carrying smuggled goods, including diamonds, while returning to India from a visit to a neighbouring country. Investigations showed that this might not have been a case of individual enterprise and that the mission itself might have been involved. Inquiries also indicated the possibility of the mission's involvement in drug traffic.

The results of subsequent investigations are said to have been equally damaging. They showed that the mission was taking undue interest in certain areas such as Jammu and Kashmir and Bombay. Authorities remain tight-lipped. They would not say what interest North Korea could possibly have in Jammu and Kashmir and whether Bombay had figured in the drug traffic. It is, however, no secret that Bombay has become an important centre for the drug traffic originating in Pakistan and culminating in the United States.

Delhi Denies Report

New Delhi PATRIOT in English 4 Sep 83 p 7

[Text] The spokesman of the External Affairs Ministry on Saturday denied a news report that India had sought the withdrawal of the ambassador of the Democratic Republic of Korea in Delhi, reports PTI.

The report "is not correct", he said recalling the first secretary of the DPRK embassy, Mr Bang Bong Nam, was asked to leave for alleged smuggling activities. He left on 10 June.

Mr. Bang had arrived in Delhi from Singapore on 17 May with watches, diamonds and other contraband goods.

The spokesman said "our objection to the involvement of Korean embassy in smuggling activities has been appropriately conveyed at the highest level to the DPRK government".

The DPRK authorities had assured India that they would abide by the obligations under the Vienna regulations.

CSO: 4600/1596

## CONCERN OVER INFILTRATION ON BANGLADESH BORDER

Calcutta THE STATESMAN in English 28 Aug 83 p 9

[Text] KRISHNAGAR, Aug. 27.--About 400 Bangladeshi infiltrators had been identified by a Central Government agency during its search for foreign nationals in Nadia, according to official sources. They said that the Bangladesh nationals had sneaked into this part of the border and settled in different parts of the district, particularly in the Karimpur and Chapra thana areas, over the years.

It was very difficult to identify them. Apart from the confusion, arising out of the same ethnic group, most of the Bangladeshi nationals had built houses, secured ration cards and had enrolled their names in the voter list. A few days ago a Central Government intelligence officer was allegedly man-handled when he was conducting a search for foreign nationals in the Karimpur thana areas, where the majority of the infiltrators had settled, the sources said. The number of infiltrators would be "much higher" than what was indicated in a section of Press some time ago, the sources added.

Meanwhile, the Border Security Force has intensified patrolling along the 269-km border of this district with Bangladesh. The BSF sources claimed a sharp fall in trans-border crimes during the past one month. Border vigilance would be stricter with the addition of a new battalion which is expected to be commissioned from September 1, they added.

A Staff Reporter adds: Representatives of the Bharatiya Janata Party submitted a memorandum to the Governor in Calcutta on Saturday, which they observed as "anti-infiltration day", and demanded strict vigilance along the West Bengal-Bangladesh border and detection and deportation of infiltrators. They said that measures should be taken immediately to ensure that infiltrators were not enrolled as voters.

They said that though infiltration had assumed alarming proportions during the past two years nothing effective had been done either by the State or the Central Government.

In the afternoon, the BJP supporters held a street meeting on Esplanade East where Mr. Sundar Singh Bhandari, vice-president of the BJP, said that the State Government had adopted "a lukewarm attitude" towards infiltrators and accused the Centre of neglecting its duty to stop infiltration, Mr. Vishnu Kant Shastri, State BJP president, said that large scale infiltration, was affecting the social, economic and political structure of the State.

## STAND ON PAKISTAN DEVELOPMENTS TOLD, REACTION NOTED

## Finance, Foreign Ministers Comment

Madras THE HINDU in English 26 Aug 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Aug 25.

The Government of India today shed its earlier inhibitions and extended its sympathy and support in principle to the Movement for Restoration of Democracy in Pakistan.

The External Affairs Minister, Mr. P. V. Narasimha Rao, and the Finance Minister, Mr. Pranab Mukherjee, made identical observations in the Lok Sabha and Rajya Sabha explaining the Indian stand on the current agitation in Pakistan.

They said: "The Government has been watching with uneasiness and distress the recent happenings in Pakistan and the sufferings of the people who have been demanding restoration of democracy in that country. As a nation, we are committed to democracy."

**Appeal to Pak.**

The Indian reaction to the current agitation in Pakistan came at the end of the statement the two senior Ministers made in both Houses of Parliament voicing concern at the arrest of Khan Abdul Ghaffar Khan, along with an appeal to the Pakistan authorities to "allow him to function as a free citizen."

Though the Indian sympathy for the aspirations of the people of Pakistan for an early restoration of democracy through free elections was expressed in this indirect fashion, the purport of what had been stated in identical terms would not be lost on the Pakistan Government.

The two senior Ministers would not have voiced India's support for the movement if the Government of India was not satisfied that the agitation was serious enough to give it the character of a popular upsurge, although it was confined at present to only one province.

But the rumblings of this agitation against continued military rule which started in Sind are now being felt in Punjab with many courting arrest today in Lahore. It is expected to spread soon to the North-West Frontier Province and

even Baluchistan unless Gen. Zia-Ul-Haq comes out with a firm promise of free elections.

**Zia nervous**

The Pakistan President felt relatively safe as long as the powerful Jamat-Islami, which has hitherto been a staunch ally of the martial law regime, continued to oppose the Movement for Restoration of Democracy by dubbing it as an anti-Islamic agitation. But Gen. Zia and his advisers became nervous over the fissures that started developing in this monolithic organisation held together by religious fanaticism.

The Sind section of the Jamat-Islami, led by Prof. Ghaffar Ahmed, who was Minister for Industry in Gen. Zia's Cabinet at the time of Bhutto's execution, has broken away from the main body in Punjab under the leadership of

**Martial law official for Sind**

LONDON, Aug. 25.

The administration of the strife-torn Sind province in Pakistan has been taken over by the Deputy Martial Law Administrator, Maj. Gen. Hukim Arshed Qureshi, because of the continuing volatile anti-Zia agitation, according to highly reliable reports received here.

The national highway linking Karachi with interior of Sind has been placed under army control, the reports said.

Troops have been deployed in Hyderabad, Dadu, Sukkar, Newsabah and Larkana. — UNI.



Maulana Tufail Mohammed and started supporting the agitation in that province. But now the Maulana himself is attributing the growing unrest in Sind to the mistakes made by the military regime in evading elections to continue its rule.

The Jamat-Islami is reported to have said in Lahore yesterday that only early elections could prevent a further aggravation of the tense situation. He was hitherto a staunch critic of the Movement for Restoration of Democracy which he dubbed as foreign inspired, but changed his stand as the agitation seemed to be gaining momentum in Sind and threatening to spread to other provinces.

The reforms that Gen. Zia announced on August 12 have fallen far short of public expectation. Apart from the fact that there is no guarantee that he would honour his promise and hold elections after 18 months, what he is envisaging is a form of military presidential system with the National Assembly playing only an advisory role.

The gravity of the situation is reflected by the reports reaching foreign diplomatic missions in Delhi to the effect that several units of the Provincial Armed Constabulary in Sind have been disarmed by the Army since the martial law regime was not very confident about their loyalty in the event of further violence. But the active involvement of the Army in the efforts to suppress the movement

has only added to the prevailing anger in Sind against the regime.

The experts on Pakistan see a close parallel between the anti-Shah upheaval in Iran in its initial stages before it assumed the dimensions of an Islamic revolution and the present agitation in Pakistan for the restoration of democracy through free elections. But there is a basic difference between the two movements since the Iranian clergy led the revolt against the vulgarity of the Shah's modernity while in Pakistan the agitation is directed against Gen. Zia's military dictatorship under the guise of Islamic fundamentalism.

The martial law regime has evidently been taken aback by the intensity of this all-party agitation in Sind coinciding with the sixth anniversary of Gen. Zia's seizure of power. The two previous agitations that toppled Ayub Khan's regime and brought down the Bhutto government had also started in a small way but gathered momentum rapidly spreading to the whole of Pakistan.

The one big power that seems most upset by the turn of events in Pakistan is the United States which has put all its eggs in Zia's basket by identifying itself too closely with him. The crocodile tears that are being shed in Washington for the stability of Pakistan are tinged with grave concern about the fate of the U.S. backed military regime there.

### Gandhi Clarifies Statement

Calcutta THE SUNDAY STATESMAN in English 28 Aug 83 p 1

[Text] NEW DELHI, Aug. 27.--Even as Pakistan protested against the reported statement of the Prime Minister on the situation in Pakistan, Mrs Gandhi today clarified the observations she had made at a meeting of her party yesterday, saying that "We had no desire to interfere" (in the internal affairs of Pakistan).

A Press release issued by the Prime Minister's secretariat said: "Inaccurate reports have appeared in the newspapers today about the references to Pakistan made by the Prime Minister, at the meeting of the Congress party in Parliament yesterday morning."

However, the Indian Ambassador in Pakistan, Mr K. D. Sharma, was today summoned to the Foreign Office to be told of Pakistan's protest against the statement made by Mrs Gandhi.

A Foreign Office spokesman of Pakistan told reporters in Islamabad that the Ambassador was asked to convey to the Indian Government that these statements amounted to interference in the internal affairs of Pakistan and they were in violation of the international laws, Simla, Non-Aligned principles and the declaration of the South Asian Regional Cooperation.

The spokesman in a statement said that these statements were as "regrettable" as they were "hostile."

The Press release issued by the Prime Minister's secretariat during the day said: "The Prime Minister referred to the events in Pakistan in the context of India's desire for peace and stability in all the countries in our neighbourhood because developments there necessarily had repercussions in India. She said India had always disapproved of violence and injustice. That is why she had criticized the execution of Mr Bhutto, the treatment meted out to Begum Bhutto and Miss Benazir Bhutto and the arrest of Khan Abdul Ghaffar Khan. The people of Pakistan had for a long time been demanding democracy and struggling for it. While we were sad at the total situation in that country and could not close our eyes to what happened, we had no desire to interfere, Mrs Gandhi hoped that solutions would be found which would enable people to live in peace."

The Pakistan Embassy too circulated in New Delhi the text of a statement made in Islamabad today by a spokesman of the Ministry of Foreign Affairs, in which it was said that on its part the Government of Pakistan had scrupulously observed the principles of non-interference and exercised utmost restraint even when public opinion was exercised about events in various parts of India. This policy, it said, cannot succeed if it is one-sided.

"Only when restraint is reciprocated can we hope to evolve a future of harmony and cooperation in place of the conflict and confrontation that marred bilateral relations in the past."

The Pakistan Foreign Office spokesman said: "By making utterances that obviously constitute interference, and in the same breath professing a desire not to say anything that might be so regarded, the Government of India had adopted an inconsistent and contradictory attitude that is bound to damage mutual understanding and confidence."

"Non-interference in the internal affairs of other States is an obligation under international law and the United Nations charter. In the Simla Agreement Pakistan and India specifically recognized that principles of respect for each other's sovereignty and non-interference in internal affairs were prerequisites for good neighbourliness. Only this month in a declaration issued in New Delhi the Foreign Ministers of the South Asian countries reiterated commitment to these fundamental principles."

The Indian Ambassador today countered Islamabad's objections to the expression of Indian concern over developments in Pakistan, adds PTI.

The statements of the Mrs Gandhi and Mr P. V. Narasimha Rao only gave expression to the popular sentiment, he told the Pakistan Foreign Secretary, Mr Niaz A Naik who had called him over to the Foreign Office.

The Pakistani Press today described the expression of Indian concern over the events here as a "blatant interference in the domestic affairs of a neighbouring country."

"Rao's remarks evoke widespread anger," said the Government-controlled Pakistan Times over its lead story suggesting that the External Affairs Minister, Mr P. V. Narasimha Rao's statement in Parliament on Pakistan violated the Simla agreement.

#### Karachi Criticism Rejected

Bombay THE TIMES OF INDIA in English 31 Aug 83 p 1

[Text] NEW DELHI, August 30. India today dismissed as ill-founded and misplaced the criticism of the Prime Minister, Mrs. Indira Gandhi's remarks on developments in Pakistan.

In a statement to the press, a spokesman of the internal affairs ministry said today that what was said by Mrs. Gandhi at a party meeting and by the external affairs minister, Mr. P. V. Narasimha Rao, in Parliament was in no sense an attempt to influence internal developments in Pakistan or their future course.

Mrs. Gandhi's remarks, he said, were made in a strictly domestic context of explaining or assessing events which might have repercussions in India.

The spokesman was reacting to press reports in India and Pakistan alleging that Mrs. Gandhi was proclaiming a new doctrine, justifying interference in the affairs of neighbours.

"There is no question of any such doctrine," the spokesman said and asserted that the government was scrupulously following India's traditional policy of non-interference in the internal affairs of other countries, particularly of the neighbours.

He said Mrs. Gandhi's remarks on developments in Pakistan was not interference but a response to "our own political processes and a statement of our values."

He recalled that Mrs. Gandhi had recently told the foreign ministers' meeting on regional co-operation in South Asia, "Subscribing to non-alignment, we respect the right of every country to choose and follow its own form of government without interference from others."

India was a democracy and "our solicitude for democratic values and forms flows from our commitment to these values and our political and social systems."

He said that the statement made by the external affairs minister was in response to expression of concern in Parliament over the fate of Khan Abdul Gaffar Khan. "He is the sole surviving leader of our independence movement, a close associate of Mahatma Gandhi, Pandit Nehru and the present Prime Minister. He remains a revered figure for our people," the spokesman said.

PTI adds: Asked whether by the same token he expected that other governments, out of solicitude for their values, could make statements about internal

developments in India, the spokesman pointed out that in fact they did do so, "at times out of solicitude for no particular values."

"What is important" he said, "is the spirit in which these comments are made. We react to them from time to time as necessary and appropriate."

#### CPI Takes Stand

Calcutta THE STATESMAN in English 31 Aug 83 p 6

[Text] NEW DELHI, Aug. 30--The CPI general secretary, Mr C. Rajeswara Rao, today said that Mr Charan Singh, Mr Atal Bihari Vajpayee and Mr Subramanian Swamy's criticism of Mrs. Gandhi for her expression of sympathy with the movement for Restoration of Democracy in Pakistan was "unwarranted".

In a statement here, Mr Rao said: "Expression of sympathy cannot be called interference. In that case our expression of sympathy with Sri Lanka Tamils, who were butchered, can also be called interference by the same standard."

The CPI leader said it was known that General Zia's military regime, which had been perpetrating "satanic horrors" on the people of Pakistan in the name of "nizam-e-mustafa" for the last six years, could not last even for a minute if the people of Pakistan removed General Zia's autocratic regime and succeeded in establishing a democratic Government in that country. It must be said that Mr Charan Singh, Mr Vajpayee and Mr Swamy, were in fact betraying the interests of the people of Pakistan by opposing the Prime Minister's expression of sympathy. Castigation of the Prime Minister for not having supported the conspiracies of the U.S. imperialists and their henchmen on the issues of Afghanistan, Kampuchea and Poland betrayed a marked tilt towards U.S. imperialists in the name of so-called "genuine non-alignment". ~~Thereby~~ They were opposing India's progressive foreign policy of anti-imperialism and non-alignment, Mr Rao said.

The CPI leader recalled that the BJP president, Mr Vajpayee, or his party had never raised a finger against the U.S. Diego Garcia base in the Indian Ocean, the massive arming of the Zia regime and the encircling of India by hostile military forces, because of his party's avowed "pro-U.S." policies. But Mr Charan Singh, who professed "anti-imperialism", had also fallen in line with the "reactionary foreign policy stances" of the BJP after his party's latest alliance with it.

Mr Rao said these leaders complained that Mrs Gandhi was using the Pakistan issue in order to divert the attention of our people from her failures on the home front and to reap political advantage from it. He said the CPI was not concerned about her intentions. He and his party supported her expression of sympathy for the people of Pakistan because she has done the right thing.

However, he said, his party's complaint was that Mrs Gandhi was not putting her own house in order, while opposing the "conspiracies" of the USA, the CPI urge Mrs Gandhi not to keep the Punjab and Assam issues hanging as they were being utilized by "imperialists and internal divisive forces" to disrupt India's unity. She must act before it was too late.

CSO: 4600/1587



## POSITION OF NATIONAL DEMOCRATIC FRONT IN PARLIAMENT

Madras THE HINDU in English 26 Aug 83 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, Aug. 25. The Government of India today shed its earlier inhibitions and extended its sympathy and support in principle to the Movement for Restoration of Democracy in Pakistan.

The External Affairs Minister, Mr. P. V. Narasimha Rao, and the Finance Minister, Mr. Pranab Mukherjee, made identical observations in the Lok Sabha and Rajya Sabha explaining the Indian stand on the current agitation in Pakistan.

They said: "The Government has been watching with uneasiness and distress the recent happenings in Pakistan and the sufferings of the people who have been demanding restoration of democracy in that country. As a nation, we are committed to democracy".

## Appeal to Pak

The Indian reaction to the current agitation in Pakistan came at the end of the statement the two senior Ministers made in both Houses of Parliament voicing concern at the arrest of Khan Abdul Ghaffar Khan, along with an appeal to the Pakistan authorities to "allow him to function as a free citizen".

Though the Indian sympathy for the aspirations of the people of Pakistan for an early restoration of democracy through free elections was expressed in this indirect fashion, the purport of what had been stated in identical terms would not be lost on the Pakistan Government.

The two senior Ministers would not have voiced India's support for the movement if the Government of India was not satisfied that the agitation was serious enough to give it the character of a popular upsurge, although it was confined at present to only one province.

But the rumblings of this agitation against continued military rule which started in Sind are now being felt in Punjab with many courting arrest today in Lahore. It is expected to spread soon to the North-West Frontier Province and even Baluchistan unless Gen. Zia-ul-Haq comes out with a firm promise of free elections.

## Zia Nervous

The Pakistan President felt relatively safe as long as the powerful Jamat-i-Islami, which has hitherto been a staunch ally of the martial law regime, continued to oppose the Movement for Restoration of Democracy by dubbing it as an anti-Islamic agitation. But Gen. Zia and his advisers became nervous over the fissures that started developing in this monolithic organisation held together by religious fanaticism.

The Sind section of the Jamat-i-Islami, led by Prof. Ghaffar Ahmed, who was Minister for Industry in Gen. Zia's Cabinet at the time of Bhutto's execution, has broken away from the main body in Punjab under the leadership of Maulana Tufail Mohammed and started supporting the agitation in that province. But now the Maulana himself is attributing the growing unrest in Sind to the mistakes made by the military regime in evading elections to continue its rule.

The Jamat-i-Islami is reported to have said in Lahore yesterday that only early elections could prevent a further aggravation of the tense situation. He was hitherto a staunch critic of the Movement for Restoration of Democracy which he dubbed as foreign inspired, but changed his stand as the agitation seemed to be gaining momentum in Sind and threatening to spread to other provinces.

The reforms that Gen. Zia announced on August 12 have fallen far short of public expectation. Apart from the fact that there is no guarantee that he would honour his promise and hold elections after 18 months, what he is envisaging is a form of military presidential system with the National Assembly playing only an advisory role.

The gravity of the situation is reflected by the reports reaching foreign diplomatic missions in Delhi to the effect that several units of the Provincial Armed Constabulary in Sind have been disarmed by the Army since the martial law regime was not very confident about their loyalty in the event of further violence. But the active involvement of the Army in the efforts to suppress the movement has only added to the prevailing anger in Sind against the regime.

The experts on Pakistan see a close parallel between the anti-Shan upheaval in Iran in its initial stages before it assumed the dimensions of an Islamic revolution and the present agitation in Pakistan for the restoration of democracy through free elections. But there is a basic difference between the two movements since the Iranian clergy led the revolt against the vulgarity of the Shah's modernity while in Pakistan the agitation is directed against Gen. Zia's military dictatorship under the guise of Islamic fundamentalism.

The martial law regime has evidently been taken aback by the intensity of this all-party agitation in Sind coinciding with the sixth anniversary of Gen Zia's seizure of power. The two previous agitations that toppled Ayub Khan's regime and brought down the Bhutto government had also started in a small way but gathered momentum rapidly spreading to the whole of Pakistan.

The one big power that seems most upset by the turn of events in Pakistan is the United States which has put all its eggs in Zia's basket by identifying itself too closely with him. The crocodile tears that are being shed in Washington for the stability of Pakistan are tinged with grave concern about the fate of the U.S. backed military regime there.

CSO: 4600/1588

## RAO DISCUSSES HERSH ALLEGATIONS IN PARLIAMENT

Madras THE HINDU in English 27 Aug 83 p 7

[Text]

NEW DELHI, Aug 26

The External Affairs Minister, Mr. P. V. Narasimha Rao, in the Lok Sabha today expressed his helplessness in commenting on an American author's charge that former Prime Minister Mr. Morarji Desai was a CIA agent.

"My hands and feet are tied", the Minister said while responding to a calling-attention motion by Mr. Eduardo Faleiro (Cong-I) and four others on the allegation made by Mr. Seymour Hersh in his book 'The Price of Power'.

He rejected the demand from Mr. G. M. Banatwalla (MD) and Mr. Ratansinh Rajda (Janata) for an inquiry to find out the truth. He repeatedly pointed out that the matter was before courts and the truth would eventually come out.

"Let us not allow our imagination to soar higher and higher till then", he told members who traded charges and cast reflections on the former and present Prime Ministers quoting passages in the books of Mr. Hersh and the former U.S. Ambassador to India, Mr. Patrick Daniel Moynihan.

The 150-minute discussion was marked by interruptions from both sides of the House, angry exchanges and a brief noisy demonstration by Opposition members chanting slogans against the Deputy Speaker, Mr. G. Lakshmanan.

**Tense moments:** There were brief tense moments when the proceedings nearly came to a standstill. Once when the Deputy Speaker cut short a Janata member, Mr. Ram Vilas Paswan and called the next Congress (I) member on the list.

Taking advantage of the latitude earlier shown by the Deputy Speaker to another Congress (I) member, Mr. Eduardo Faleiro, who amid protests from Opposition benches recalled some of Mr. Desai's public statements, which he considered pro-West, Mr. Paswan began referring to Mr. Moynihan's book to allege that the Congress Party and Mrs. Gandhi had received U.S. funds to fight communists in Kerala and West Bengal.

On another occasion, the Minister of Parliamentary Affairs, Mr. Buta Singh, asserted that his party would not allow the discussion to

proceed unless Mr. Paswan apologised to the Deputy Speaker for the 'aspersions' cast on the Chair.

Mr. Narasimha Rao declined to be drawn into a discussion and said he could not answer hypothetical questions when some members demanded a thorough enquiry after the courts disposed of the matter.

"I refuse even to take note of what does not come out of the calling-attention motion", he declared.

**Report 'not true':** Mr. Rao told Mr. Ratansinh Rajda that the report appearing in a Madras daily that the Government had made enquiries on Mr. Hersh's charges and had not found any truth in them, "is not true".

To demands by members that adequate precautions be taken for the future, he said, "The emphasis on future cast a reflection on the past. I am not even looking to the past. Let us see what happens in the court. It may turn out that both in the past, the present, as well as future everything is not true. I can assure you that the Government is vigilant in these matters."

Earlier, in a statement the Minister said Mr. Desai had already commented in public, calling the various allegations as a "sheer mad story". The Government had subsequently received information about the plaint filed on behalf of Mr. Desai in the district court in Illinois and in the Bombay High Court.

Mr. Faleiro began by commending the credentials of Mr. Seymour Hersh, his daring exposures of the My Lai killings in Vietnam, the CIA involvement in Chile and recalled the array of awards he had won for his professional achievements. Mr. Hersh was not a journalist given to sensationalism, but a dedicated investigative reporter, he said.

Mr. Faleiro was repeatedly interrupted by Opposition members who questioned the relevance of all this to the motion. The Deputy Speaker, too, asked him on several occasions to come to the point.

The member then recalled Mr. Desai's public statements on foreign policy issues, his denunciation of the Pokhran explosion and integration of Sikkim, which, he called, annexa-

tion. All these, he said, showed his fundamental position happened to be on the side of the thinking of American administration. Further, he interceded with Nehru on behalf of Adlai Stevenson to stop Krishna Menon from sending Indian army into Goa, Mr. Faleiro asserted.

When Mr. Faleiro began quoting passages from Mr. Hersh's book concerning Mr. Desai, Opposition members charged him with misleading the House by only reading some portions and omitting others.

Mr. George Fernandes (Janata) raising a point of order said it was not fair on the part of Mr. Faleiro to have omitted Mr. Hersh's claim that Mr. Desai continued to stay on in the Cabinet after being "fired" by Mrs. Gandhi in 1969 as Deputy Prime Minister.

**Uproar:** Mr. Faleiro's allegations that a former special assistant of Mr. Desai was connected with the CIA funded Asia Foundation of Manila again plunged the House into an uproar and Dr. Subramaniam Swamy (Janata) challenged the member to make the statement outside the House.

Mr. Faleiro recalled Mr. A. B. Vajpayee's interview to the Washington correspondent of an Indian agency saying he had been informed in advance by a person with high connections in the U.S. Embassy in Delhi about the impending publication of Mr. Hersh's book and asked why the BJP leader had not informed the Government about it.

Mr. Narasimha Rao repeated that the matter was before a court of law. In the light of his statement he found the antecedents or credibility of the author (Hersh) totally unconnected with the matter.

Mr. Rao recalled what the then Home Minister in the Janata Government had stated when references appeared in Mr. Moynihan's book to U.S. funds provided for the Congress party.

The then Home Minister had said "normally the presumption would be that Mr. Moynihan would not have gone on record on an issue like this had there been no element of truth in it."

"We have not done this. We have not raised this presumption. We have no comment in the matter and members are free to draw their 'own conclusion', Mr. Rao said.

Amid interruptions from Congress (I) benches, Mr. Ram Vilas Paswan (Janata) referred to Mr. Moynihan's references to U.S. funds received by the Congress party, to cries of "shame shame" from Opposition benches and protests from Congressmen.

**Deliberative forum:** Calling the member to order, the Deputy Speaker declared Parliament was a "deliberative forum" and not a political forum. This drew loud protests from the Opposition benches.

When Prof. Satyasadan Chakraborty (CPI-M) questioned this assertion, the Deputy Speaker remarked "go and refer to the archives. Nowhere Parliament has been described as a political forum."

Mr. Paswan wanted to know whether Mr. Hersh released his book only after he had a meeting with Mr. L. K. Jha, Chief of the Economic Administration Reforms Commission. He also wanted a thorough enquiry

since the Prime Minister herself had gone on record that someone had been "planted" in her house. He would like a commission to go into the activities of the Government before 1977 and now. Was it also a fact that Mr. Sanjivan Nair, a former official of the RAW, visited Washington before the book was published?

The Minister said so long as the matter was before the court, no enquiry could be held. "We have no record" about Mr. Hersh having met Mr. Jha. Mr. Hersh quoted from Mr. Jha's writings. This is wrong. There is no connection between the two things. Mr. Rao said.

**Patriot:** Mr. Ratanisinh Rajda eulogised Mr. Desai as a "tail figure" in the national politics who stood by certain principles and was above all a patriot. He also had regard for Mrs. Gandhi. The issue was one of national honour.

With the exception of Congress (I) the entire nation and the press in the country had reacted sharply when reports appeared on Mr. Hersh's charges in his book.

While Mr. Desai promptly denied the charge, Mr. Rajda claimed that Mrs. Gandhi had not done so when Mr. Moynihan's book was published.

A Congress (I) member. She has denied.

Mr. Rajda said Mr. Desai was not even a member of the Cabinet during the period Mr. Hersh mentioned in his book.

Mr. Rajda asked whether it was true that Cabinet secrets were leaked to foreign agencies even now? Whether Government agreed that State secret was leaked out to the CIA or any other agency. He also wanted to know whether the Cabinet Minister who furnished the information to CIA in 1971 had a history behind him and was constantly shadowed by the Indian counter intelligence?

The member then referred to a report in THE HINDU saying Government had conducted an enquiry and found there was no truth in Mr. Hersh's allegations.

Mr. Narasimha Rao said the more he listened to the speeches of members, the more convinced he felt that his statement was exactly what was needed. Nothing more and nothing less. It would have been better if Mr. Rajda had not referred to the report in THE HINDU which he had also seen. Since he had referred, he would say "it is not true". In fact, Mr. Rao said he had answered that question in one of the Houses.

Mr. G. M. Banatwala while welcoming the Government statement, said it was a serious matter. While replying to a question the Minister had recalled the precedent of the statement made by the then Home Minister in 1979 in relation to Mr. Moynihan's observations. Was the Government following this precedent, he asked.

He wanted to know specifically whether the allegations made in the book are true or not since it raised very serious issues. The Government owed it to the nation and not to Mr. Desai? If true, the Government must proceed against the person, however tall or great he might be. Had the government conducted an enquiry and if so what were the findings? he asked.



Mr. Narasimha Rao repeated that Government did not wish to make any public comment at this stage. He had quoted the past precedent of 1979 recalling the statement of the then Prime Minister not mentioning for the sake of technicality.

"We are faced with the situation where a former Prime Minister has been charged with certain things. The first reaction of any Minister would be is to find out whether such a situation has been faced before. The first question any Government would ask itself is whether there is a precedent."

"Though not identical," Mr. Rao said, "we found just about three-and-a-half years ago a similar situation was faced by the previous Government."

He then went to point out that the previous Government was much more free to institute an inquiry as nobody had gone to court as in the present case where "my hands and feet are tied," he said.

Mr. Rao pointed out that in similar circumstances the then Government had asked Mrs. Gandhi to go to court. There was neither a denial by it (of Moynihan's charges) nor an inquiry. He agreed it was a serious matter.

Mr. Supramaniam Swamy interrupted to say: We did it. Our Foreign Minister went to Washington and spoke.

Mr. Rao was sharp to react saying: "To get the book released I did not do it and I plead guilty to it. I am very clear. It is not possible for me to say anything more than place facts before the House."

As to the demand for inquiry, Mr. Rao said there was no time between the appearance of the book and Mr. Desai's reaction. There was no occasion to institute an enquiry. It would have taken two years. It was just not practicable, he said.

Urging patience, Mr. Rao told the House that Mr. Hersh would naturally defend himself in the court and "truth will come out." — PT

## ANALYST REPORTS ENDING OF PARLIAMENT SESSION

Madras THE HINDU in English 27 Aug 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, Aug. 26

The monsoon session of Parliament ended today, as it began on July 25, on a stormy note with a walk-out in the Lok Sabha by the entire Opposition parring AIADMK and Muslim League over the Government's refusal to extend the session for a discussion on an inconclusive sugar deal in 1977 with a Swiss firm involving the names of the controversial non-resident Indian businessman, Mr. Swraj Paul, and some former officials of the Commerce Ministry and the State Trading Corporation.

After the question hour, the Opposition members who were pressing for a debate in any form under any rule blocked the proceedings of the House amidst uproarious scenes, despite the Speaker's assurance that he would allow a discussion on the very first day of the next session after ascertaining the facts.

**Time sought:** The Opposition members wanted a discussion today itself before the conclusion of the current session, but the Government pleaded for time to collect the facts about this five-year-old case. The demand for an immediate discussion on the basis of the available information arose from the publication in a Delhi newspaper today of a Swiss court order recording a compromise reached by the parties concerned to the sugar deal for refund of what were deemed to be kickback payments made in advance.

The whole excitement was focussed on the inexplicable omission of the name of the first respondent in the official copy of the Swiss court order made available to the CBI during its investigation of the case. The Opposition members who suspected a political motivation behind the omission, seemed to have jumped to the conclusion that the Swiss authorities had deliberately deleted the name to avoid an embarrassing revelation of the identity of a presumably prominent person involved in this transaction.

The mystery was further deepened by the

fact that, though the Janata Government had ordered an inquiry into this controversial sugar deal which was struck during the Emergency well before the 1977 elections, it did not pursue the investigation to its logical conclusion for whatever reason. The mere publication of the odious details in a newspaper did not cause any big surprise, but the glaring omission of the name of the first respondent from the official copy of the Swiss court order infused political overtones into it.

The Congress (I) members, who vociferously opposed the demand for an immediate discussion made as a matter of habit rather than with any deliberate intent of shielding the culprits, gave the impression that the ruling party was shunning a debate for fear of exposing its skeletons. The Opposition pressed for a debate precisely for embarrassing those in power with some disclosures of the alleged skulduggery in high places.

**Adjourned twice:** The Speaker had to adjourn the proceedings twice, first for 10 minutes and then a whole hour during lunch time, to help calm down the ruffled tempers and resolve the tangle without violating the rules of procedure. The Minister for Parliamentary Affairs, Mr. Buta Singh, responded to the Speaker's suggestion that the Minister concerned could make a brief statement on the basis of the facts available with him, leaving the debate to the next session.

**Hersh's allegations:** There was near pandemonium again when the House took up the calling-attention motion on Seymour Hersh's allegations against Mr. Morarji Desai with both Congress (I) and Opposition members levelling serious charges against one another and smearing the reputation of the leaders on either side. The External Affairs Minister, Mr. P. V. Narasimha Rao, who made a vague and non-committal statement, added to the confusion by leaving the members to draw their own conclusions.

## REPORTAGE ON EXPULSION OF NATIONAL CONFERENCE LEADER

Eased Out by Abdullah

Calcutta THE STATESMAN in English 1 Sep 83 p 1

[Text] SRINAGAR, Aug. 31.—The Jammu and Kashmir Chief Minister, Mr Farooq Abdullah, who is also president of the ruling National Conference has eased out Mr G. M. Shah, former Works Minister and "strong man" of the organization, from the top leadership of the party by dissolving its 21-member working committee of which the latter was a member, reports PTI.

The dissolution of the committee was announced by Mr Abdullah at an extraordinary meeting of legislators and senior functionaries of the party here today.

The Chief Minister also "removed" from the primary membership of the party Mr D. D. Thakur, Finance Minister in Sheikh Abdullah's Government, who played a key role in the smooth change of power last September when Mr Farooq Abdullah assumed the office of Chief Minister, after the death of the late Sheikh.

The dissolved working committee was replaced by a five-member "central working committee" with Mr Abdullah continuing its president.

Notable among those who do not figure in the reconstituted working committee are Mr. M. K. Tikoo, former Law Minister, and Mr G. N. Koohak, former Forest Minister, said to be belonging to the group led by Mr Shah.

A party release said an announcement regarding the remaining members of the new working committee would be made on September 8, the first death anniversary of the Late Sheikh.

Besides Mr Abdullah, the members of the new working committee are: Mr Ghulam Mohiuddin Shah, Mr P. L. Handoo, Mr Bodh Raj Bali, all Cabinet Ministers, and Sheikh Nazir Ahmed, who is also general secretary of the party.

According to the party release, Mr Abdullah, in his address to the meeting, cautioned the party men against the activities of "frustrated political elements both within and outside the State, who are out to weaken the organization and its constitutionally elected Government".

Asserting that his Government enjoyed the full backing of the people, the Chief Minister said he was confident that the people of the State would "foil all the nefarious designs against the organization and the Government."

Mr Thakur today questioned the "moral right" of the Chief Minister to expel him from the National Conference.

Mr Thakur said the manner of his expulsion and dropping of some leading party members from the working committee indicated "rather unmistakably the dictatorial attitude" of Mr Abdullah.

Mr Thakur hoped that dedicated workers of the National Conference would rise to the occasion and prevent Mr Abdullah from bringing about the disintegration of the party.

#### Abdullah's Authority Questioned

Calcutta THE SUNDAY STATESMAN in English 4 Sep 83 p 1

[Text] SRINAGAR, Sept. 3.--Mr Ghulam Mohiuddin Shah, former Works Minister, today questioned the authority of the Chief Minister, Mr Farooq Abdullah, to expell Mr D. D. Thakur, former Planning Minister, from the primary membership of the National Conference, reports UNI.

Even though the Chief Minister was also president of the ruling party, only the working committee had the power to take such a step, Mr Shah maintained. He demanded a general body meeting of the party to discuss the issue.

Mr Abdullah had "no moral or constitutional authority" to remove Mr Thakur from the party or dissolve its executive, Mr Shah, who returned here from New Delhi this morning, told reporters at the airport.

In Jammu, more than half-a-dozen National Conference members, in a joint statement, described Mr Thakur's expulsion as "unfortunate and undemocratic".

Mr Shah said he would fight from within the party to get the expulsion of Mr Thakur revoked.

The signatories to the Jammu statement included a former Minister in the Sheikh Abdullah Cabinet, Mr T. R. Atri, Mr Parmanand, Mr Roshan Lal, MLC, and Thakur Raunaq Singh.

CSO: 4600/1594

## CPI REPORTED FEARFUL CPSU MAY RECOGNIZE CPI-M

Calcutta THE STATESMAN in English 1 Sep 83 p 9

[Text] NEW DELHI, Aug. 31.--Is the Communist Party of the Soviet Union thinking of having party-to-party relationship with more than one Communist Party in a country?

A crucial sentence mentioning the existence of more than one Communist party in some countries in the August issue of a Soviet monthly has led to one important interpretation among knowledgeable Communist circles here: The CPSU is beginning to depart from its policy of recognizing and having official party-to-party relationship with only one Communist party in one country.

The Soviet monthly in question is called Socialism Theory and Practice and carries an article titled "World Communist movement--yesterday and today".

The key sentence--the first-ever officially mentioned by the CPSU--runs as follows: "Today, the number of Communist parties in the world exceed the number of countries where they exist. The explanation is that on account of different historical reasons, two Communist parties have emerged in some countries. Thus, the CPI(M) formed in 1964 exists along with the CPI in India."

The article mentioning the existence of the CPI(M) reportedly caused fearful flutters in the dovecotes of the CPI's central leadership here because it feels the Russian Communist Party is surely getting to recognizing the rival CPI(M). This will be followed up with the establishment of party-to-party relationship between the CPSU and the CPI(M). Should this happen, the CPI will lose its monopolistic relationship with the CPSU.

According to Communist circles, the fears of the CPI leadership are not totally unfounded. It is not something new for the ruling Communist parties to recognize officially and have fraternal relationship with more than one Communist party in one country. It is pointed out that the ruling Communist parties are Yugoslavia, Vietnam, Romania, Laos, Korea, Kampuchea, Cuba which have official relationship with the CPI and the CPI(M).



It is only the CPSU which has so far maintained the historical tradition of having an official relationship with only one Communist party in one country.

The Communist Party of China recently established party-to-party relationship with the CPI(M) despite the fact that the Indian Marxist Communist leadership supported equivocally the international line of the CPSU and criticized the CPC for its alliance with the USA and Pakistan.

CSO: 4600/1594

## FOUR NEW MINISTERS SWORN IN IN KERALA

Bombay THE TIMES OF INDIA in English 2 Sep 83 p 9

[Text] TRIVANDRUM, September 1: Three Congress (I) ministers and a National Democratic Party minister were sworn in by the governor, Mr. P. Ramachandran, at Raj Bhavan this morning.

They are Mr. A. L. Jacob, Mr. P. K. Velayudhan and Mr. N. Sundatan Nadar of the Congress (I) and Mr. K. P. Ramachandran Nair of the NDP.

Mr. Jacob has taken over the agriculture portfolio of Mr. Cyriac John and Mr. Sundaran Nadar the transport portfolio of Mr. K. K. Balakrishnan, Mr. Velayudhan, who was expected to given the portfolios held by Mr. C. V. Padmarajan, the new KPCC(I) president, would handle only community development, while the portfolio of fisheries has been taken for the time being by the chief minister, Mr. K. Karunakaran.

Mr. Ramachandran Nair has been given the health portfolio of his predecessor, Mr. K. G. R. Kartha.

While Mr. Kartha was dropped by the NDP to appease his critics, the induction of the new Congress (I) ministers into the cabinet was the result of a plan initiated at the state level and approved by the party's central leadership.

The "Nadar belt" consisting of the three southern constituencies of the state is likely to be pleased with the belated recognition accorded to it by Mr. Karunakaran.

Mr. Sundaran Nadar is the second Nadar minister since the formation of Kerala state in 1957. The first was Mr. Neelalohita Das, who was a member of the short-lived coalition ministry of the Muslim League leader, Mr. C. H. Mohammad Koya, just before the 1980 election.

Mr. Das was elected to the Lok Sabha on a Congress (I) ticket in 1980. He defected from that party along with Mr. H. N. Bahuguna to form the Democratic Socialist Party.

CSO: 4600/1592

## JANATA, OTHER PARTIES FORM NEW ALLIANCE

Headed by Shekhar

Calcutta THE STATESMAN in English 5 Sep 83 p 1

[Text] NEW DELHI, Sept. 4.--The Janata Party, the Congress (S), the DSP and the Rashtriya Congress (in Gujarat) here today formed an alliance called the "United Front". The four-party front will be headed by the Janata president, Mr Chandra Shekhar, it was learnt.

The agreement to constitute the United Front was reached at the formal meeting of the presidents and other representatives of the Janata, the Congress (S), the DSP and the Rashtriya Congress.

The meeting was presided over by Mr Chandra Shekhar. It was also attended by Mr Sharad Pawar, president of the Congress (S), Mr H. N. Bahuguna, president of the DSP and Mr Ratubhai Adani, president of the Rashtriya Congress.

The United Front is the second alliance, coming on the heels of the two-party alliance of Lok Dal-BJP on the country's political horizon.

The official announcement on the formation of front was made by the leader of Janata Parliamentary Party, Mr Madhu Dandavate.

Significantly, the announcement said, the United Front would endeavour to cooperate with other democratic, secular and progressive political forces.

This means that it will also include the National Congress, the Telegu Desam, the two Communist parties and other leftist parties and groups, including parties like the Peasants and Workers Party (in Maharashtra).

Today's meeting prepared a broad outline of the policies and programmes of the United Front. According to United Front sources, the new alliance will have the Left-of-the Centre orientation. According to the official announcement, "final touches are being given to the details about the policies as well as the structure of the organization of the United Front.

A sub-committee was formed today to prepare a policy statement, as well as the organizational structure of the United Front. Meanwhile, today's

meeting also decided that the four parties would function as constituents of the United Front in the legislatures and outside.

Among those present were Mr Biju Patnaik, Mr Dandavate, Mr R. K. Hegde, Chief Minister of Karnataka, Mr Indubhai Patel (all Janata); Mr K. P. Unnikrishnan, Mr Dharam Vir Sinha, Mrs Ambica Soni, Mr Kishore Chandra Deo (all Congress-S) Mr Mahitpat Rai Mehta (Rashtriya Congress), and Mr I. K. Gujral.

The meeting will continue tomorrow.

#### Left-of-Center Policy

Calcutta THE STATESMAN in English 6 Sep 83 p 7

[Text] NEW DELHI, Sept. 5--The new United Front of Janata, the Congress (S), the DSP and the Rashtriya Congress will have "democracy, socialism and secularism" as its main plank, according to its policy statement, the draft of which was approved at its meeting here today.

The United Front would follow the nationally approved policy of non-alignment, it was learnt. On the whole, it was stated, the United Front would adopt left-of-centre policies.

The draft, which has incorporated political, economic and social programmes of the four-party front, will be circulated to "friendly parties" and "friends" for wider discussion and consultation with them.

For this reason, it was not released to the Press today, Mr Madhu Dandavate said. The policy statement will be placed before the next meeting of the United Front in Delhi on September 17 for approval and release to the public.

Mr Dandavate said that the meeting today constituted a provisional coordination committee of the United Front and appointed Mr Chandra Shekhar, its convener.

The United Front decided that the "friendly parties and friends would include the two Communist parties and other Leftist parties and groups, the regional parties--the ruling National Conference in Jammu and Kashmir, the DMK in Tamil Nadu, the ruling Telugu Desam in Andhra Pradesh. The Peasants' and Workers' Party in Maharashtra--and other regional and local parties in Kerala and other States." These parties and the Congress (J), led by Mr Jagjivan Ram, would receive the draft policy statement of the front, Mr Dandavate said.

There was "no mention" of the two-party alliance of the Lok Dal-BJP during the meeting for the three consecutive days.

PTI adds: The Congress (I) today ridiculed the constitution of the four-party United Front and the BJP-Lok Dal alliance saying its constituents were devoid of any ideology and principles. Mr Chandulal Chandrakar, AICC (I) general secretary, told reporters that the main objective of the two combines was to malign the Congress (I) and Mrs Gandhi.

CSO: 4600/1604

## CPI-M LEADER MEETS PRESS AFTER POLITBURO MEETING

Calcutta THE STATESMAN in English 7 Sep 83 p 9

[Text] NEW DELHI, Sept. 6.--The CPI-(M) Politburo today welcomed the formation of the four-party United Front of the Janata, the Congress (S) the Democratic Socialist Party and the Rashtriya Congress and expressed the hope that the CPI(M) and other leftist parties would be able to achieve "working arrangement" with the front to "help the struggles of the working class against the ruling Congress (I)."

Speaking to reporters on the two-day meeting of the Politburo here yesterday, the CPI(M) general secretary, Mr E. M. S. Namboodiripad, said what was more welcome to his party was that the leaders of the four-party front were working out a common programme to unite "progressive forces" in the front.

Mr Namboodiripad said the CPI-(M) central leadership considered that the National Democratic Alliance of the Lok Dal and the BJP would not strengthen the struggle for democracy since "it is a combination of reactionary forces".

The CPI(M) leader said that his party was waiting the draft policy statement of the new front. He, however, disclosed that there were informal consultations between them. Mr Namboodiripad declined to comment on whether "the working arrangement" envisaged joint campaigning. He said he would not be able to say anything about the future.

The Politburo greeted the people of Pakistan who were fighting the military regime under the leadership of the Movement for Restoration of Democracy. Their movement was part of the struggle of the people of the neighbouring countries, which were facing the danger of being turned into the basis of operation of U.S. imperialism and losing their national independence.

It was also stated that several political parties in India were unaware of the serious danger which "imperialist policies constituted to India's freedom and sovereignty. Many of them, therefore, showed an attitude of total indifference and cynicism towards the peace movement, they bracketed the aggressive USA with the peace-loving Soviet Union, as two superpowers. This hostility to the Soviet Union and attachment to the USA had reached the highest



point in the open denunciation by the BJP and Lok Dal of the support given by the Government to the democratic movement in Pakistan as interference in the internal affairs of Pakistan".

The Politburo said that the CPI(M) associated itself with all those in India or abroad who deplored the loss of 269 lives in the shooting down of a South Korean aircraft, which had violated the Soviet airspace. It, however, noted that this incident was being used by USA and its allies to whip up an anti-Soviet hysteria. It noted that the South Korean aircraft was being closely followed by U.S. aircraft which had been admitted to be engaged in reconnaissance within the Soviet territory. It was, therefore, clear that behind the loss of lives was the provocative actions in which the USA and its South Korean ally were engaged, the Politburo stated.

CSO: 4600/1608

## EDITORIAL NOTES THREAT OF INFLATION

Bombay THE TIMES OF INDIA in English 26 Aug 83 p 8

[Editorial: "Threat of Inflation"]

[Text] The most recent estimate of the index of wholesale prices, which shows that it rose yet again in the first week of August, would not normally have aroused any particular concern. This is the very end of the lean season, and such increases are not unusual during this period. Last year, for instance, the index rose sharply by six per cent between the end of March and August 7, but then rose by only 0.6 per cent till the end of the fiscal year. But this surface similarity in trends is deceptive. There are two reasons to believe that the continued increase is not a seasonal phenomenon alone, and consequently that this year the country may witness a far sharper rise in prices than it did last year. The first is that, unlike last year when most of the country was in the grip of a drought, there is every reason to expect a bumper kharif harvest this year. Traders should therefore have begun to unload their stocks of cereals and to clear their go-downs for the purchase of goods for sale during the coming Dilwali season, a lot sooner than they did last year. But so far, this has not happened.

The second reason for expecting a sharper rate of inflation is that unlike last year the country is once again enjoying a surplus in its balance of payments. Between the end of March and July 22, the foreign exchange assets of the banking sector actually rose by Rs. 277 crores. Indeed Mr. Pranab Mukherjee told the Lok Sabha the other day that the country's foreign exchange reserves have increased this year by Rs. 120 crores, even without the help of drawings from the IMF. While this is very good news indeed, inasmuch as it lifts the threat of a future payments crisis that has been hanging over the country's head ever since the second oil price increase of 1979-80, it is undoubtedly contributing a strong upward thrust to the price level this year. Just how much of a thrust may be judged from the fact that the foreign exchange assets of the banking sector had fallen by Rs. 655 crores in the same period last year. There has thus been an increase in money supply of Rs. 922 crores on this account in the first four months of 1982-83 over the same period last year. Largely as a result of this, the total money supply (M3) has grown by 6.6 per cent in the first four months of the current year, against only 5.3 per cent last year. But this change does not tell the full story. While increases in some components of money supply (such as time deposits)

have very little effect on the price level, any change in the balance of payments has an immediate impact upon it. A payment deficit reduces the money chasing goods within the country while a surplus increases it. Thus while the former is deflationary, the latter always pushes prices up. If the current trend in the balance of payments continues, the government will have to take urgent steps to curb its own spending for only this can offset the effect of a payments surplus on domestic demand. Merely monitoring the overall growth of money supply will not do.

CSO: 4600/1586

## MIZO LEADER SAID TO FAVOR LONDON TALKS

Calcutta THE STATESMAN in English 26 Aug 83 p 9

[Text] SHILLONG, Aug. 25.--The Mizo National Front leader, Mr Laldenga is believed to have written to the church leaders in Mizoram saying he is prepared to resume negotiations with the Centre but the venue of the talks should be London. According to observers, the mention of a venue overseas is more of a "probe" than anything else.

Mr Laldenga is aware of the fact that matters have to be clinched in New Delhi and at Aizawl but would like to know whether the church leaders' initiative is welcome to the Centre or not. Mizo pastors like Rev. Lalrawna have been in touch with Mr Laldenga and there is talk of creating a peace centre like Nagaland's Chedema, with an armoury which would enable the MNF to deposit their arms with an acceptable agency rather than "surrender" them with loss of face and injured pride.

Mizoram Opposition parties, including the Congress (I) favour a fresh dialogue with the MNF leader. The ruling People's Conference and the Mizo union have belatedly but formally called for peace negotiations, according to a report.

In the mid-seventies, the Centre and Mr Laldenga signed an agreement hailed as the "dawn of peace" but, even as the church bells rang, fundamental differences arose over the interpretation of the clauses and the priority in implementation.

Mrs Gandhi's Government fell and Janata took over, but the talks collapsed and Mr Laldenga was arrested. The talks were resumed when Mrs Gandhi was back in power but despite the best efforts of the Mizoram Congress leaders and others, the talks were called off on January 20, 1982. Mr Laldenga's followers and admirers charged Brigadier Sailo, the Chief Minister and his People's Conference with "sabotaging" the talks for selfish ends.

The Home Ministry ascribed the failure to Mr Laldenga's unconstitutional demand that the Mizoram Ministry be sacked and the reigns of power be handed over to him in a special set-up or "advisory council" Far from obliging, Brigadier Sailo used the media and other channels to expose Mr Laldenga's unconstitutional demand and other abnormalities.

The then Mizoram Lieutenant-Governor, Admiral Kohli, convinced the Centre of Mr Laldenga's questionable tactics and his "double game". The Centre acted and the MNF was proscribed suddenly. Mizoram watches have been intrigued by the Centre's "somersaults" and choice of options.

Mr Laldenga apparently wanted President's rule in Mizoram an advisory council under a special dispensation and himself, as chairman, given overriding executive powers. Such an exercise, Mr Laldenga claimed would prepare the climate for his followers to come into the open and eventually ensure a free and fair election.

Some felt that Mr Laldenga might want a referendum. But Brigadier Sailo had an electoral mandate to govern the Union Territory till 1984. Dismissing the Ministry would be unconstitutional and unethical.

One way to force an election would have been to give Mizoram Statehood but Mr Laldenga would have rejected it, thus affecting the Mizoram Congress-I's poll prospects. The position now is different with elections due next year. The church leaders political parties and a section within the ruling party feel that Mr Laldenga's personal ambitions might be worth fulfilling in the larger interest of getting him to contest the elections, thereby establishing his Indian citizenship with "disbelievers" in the underground, largely the younger and later recruits.

It would minimize to some extent violence and extra judicial pressure during the elections. The Phuldungse by-election (the sitting MLA, Zadinga, was killed by the underground) was an indication. Finally, Brigadier Sailo might welcome an election to seek a fresh mandate following charges of rampant corruption among his Ministers and the administration. The Mizoram Congress president, Mr Lalthanhawla, has prepared a dossier on the allegations about various departments, Ministers and others, including Brigadier Sailo's son.

CSO: 4600/1586



## GROWTH RATE IN PUBLIC SECTOR REPORTED AT 8 PERCENT

New Delhi PATRIOT in English 3 Sep 83 p 5

[Text] Public sector undertakings under the Department of Heavy Industry achieved an eight per cent growth rate during the first four months of the current financial year as compared to the corresponding period last year, reports UNI.

According to official figures, the cumulative production turnover of 17 such undertakings during April to July this year was Rs 512.93 crores, against RS 476.50 crores during the same period last year.

The cumulative achievement of production targets by these units during the period was 79 per cent and at least five units achieved either their targetted production or exceeded it.

The Heavy Engineering Corporation of Ranchi, however, remained at the bottom of the list with a target achievement of 37 per cent.

The production in public sector undertakings under the department during July this year was six per cent higher than the turnover of Rs 138.52 crores achieved in July last year.

In many segments of the industrial machinery sector, the performance during April and May this year was substantially higher than in the corresponding period of 1982.

Cement and mining machinery and diesel engine industries, however, recorded a lower production rate than that in first two months of 1982-83.

The production of agricultural tractors, which had shown 24 per cent decline during 1982-83, has shown substantial recovery during the first two months of the current financial year. The production was 32.7 per cent higher than that in the corresponding period of the previous year.

Due to inadequate demand, the shortage of the free supply components for the production of road rollers, commercial vehicles and railway wagons showed a 49.5 percent, 10.2 per cent and 4.5 per cent decline respectively during April and May this year.

In the transport sector, considerable improvement was recorded in the production of mopeds, jeeps, motorcycles, three wheelers and cars.

Out of 13 selected engineering industries, nine achieved an average production growth of 29 per cent.

CSO: 4600/1600

## INDIA CHARTING OCEAN METAL MINING AREAS

Calcutta THE STATESMAN in English 30 Aug 83 p 11

[Text] PANAJI, Aug. 29.--A number of scientists at the National Institute of Oceanography at Panaji are at present engaged in the polymetallic nodules survey project to chart out two viable mining areas in the Indian Ocean to be submitted to the U.N. Sea Bed Authority for acquiring mining rights for the precious sea-bed ore.

India is the only developing country engaged in this complex activity which calls for a highly developed technological skill. At present, NIO's own research ship R. V. Gaveshani and two other hired research vessels, Scandi and Fornella, are involved in the survey. The newly acquired sophisticated research vessel, Sagar Kanya, is also likely to give a hand in the final stages of the project.

There are only four developed countries and four other consortia in the field. The polymetallic nodules are found at a depth of about four km. None of the countries has started mining the precious ore.

The institute's R. V. Gaveshani first found the deposits in the western Indian Ocean in January 1981. The continuous survey of the ocean since then has revealed that Indian Ocean bed is rich with these deposits in many regions, according to Mr T. S. S. Rao, Deputy Director of NIO.

The U.N. Sea Bed Authority has also recognized India for carrying out research and development activities at sea bed and has given the country a status of pioneer investor which means that India would be favourably considered while allotting the sea bed mining rights.

The task of the polymetallic nodules survey project is to earmark two sea-bed areas of 150 square miles each. The sea bed authority would allot one of these areas for mining.

The institute's preliminary programme of screening marine organisms for biological activities has also shown some interesting results. The programme is being carried out in collaboration with the Central Drugs Research Institute of Lucknow.

CSO: 4600/1591

## AIR FORCE TO BEGIN INTRODUCTION OF MIRAGE 2000 FIGHTER

Calcutta THE STATESMAN in English 5 Sep 83 p 11

[Text] NEW DELHI, Sept. 4--A team of Indian Air Force test pilots and engineers will shortly leave for France to set up a joint organization with the French Air Force for the induction of the Mirage-2000 multi-role fighter aircraft into the IAF, reports UNI.

Marcel Dassault, the manufacturers of the Mirage-2000, have informed the Indian Government that they would start supply of the aircraft to the IAF, simultaneously with its induction into the French Air Force.

According to the latest schedule, the first batch of 40 Mirage-2000 aircraft ordered by India, would be flown to an IAF air base early in 1985 by Indian pilots.

The Indian team will initially be based in Paris and the first operation conversion unit of Mirage-2000 for the IAF will be formed at Dijon air base, south-east of France.

According to a schedule worked out by the Defence Ministry here, a common induction programme by the French Air Force and the IAF will begin in August 1984.

The first batch of IAF pilots and engineers would work out standard operating procedures required for the induction of such a futuristic aircraft into squadron service.

After this, the IAF will send a bigger team of pilots to France to form the first squadron and then begin ferrying the Mirage-2000s to India.

Most of the pilots for the Mirage-2000 conversion unit are from the units at present flying Mig-21s.

The French authorities have indicated to India that they would complete the supply of all 40-Mirage-2000 by 1986.

Squadron I of the IAF, which operate the MIG-wls, and is popularly known as the "tiger squadron" is being favoured for the Mirage-2000.

The French Government is also supplying India with the latest 335-D Air-to-Air missile for the aircraft.

The Indian Mirage will be fitted with the latest internal mounted intelligence gathering equipment and active jamming electronic devices. Internal mounting of ESM and ECM passive and active electric equipment, unlike in other aircraft will give the Mirages outside platform which could be used for weapons.

India has also ordered from France a full combat simulator for training of IAF pilots here.

The agreement for Mirage-2000 was signed in New Delhi last October and India has retained the option to manufacture the aircraft under licence. So far no decision has been taken to manufacture it indigenously.

The Mirage-2000 is equipped with cockpit displays and electronic equipment. Air-defence and multirole Mirage-2000s have a three-colour head-down display which can show navigation and targetting information as well as radar imagery.

It will have a 2-mach 2.35 capability, attaining a top speed of 2,495 km per hour, and can climb to 49,000 feet in 4 minutes. Its operation ceiling is 65,000 feet and its tactical radius with air-to-air missiles 700 km.

The aircraft will carry two 30 mm DEFA cannon and two Matra-550 magic and two super Matra 530-D, air-to-air missiles. It can alternatively carry 11,000 pounds of bomb load on nine external stations four beneath the wings and five beneath the fuselage.

CSO: 4600/1602



## BRIEFS

PANEL ON CULTURE--NEW DELHI, Sept. 3. A National Council of Arts is being set up under the chairmanship of the Prime Minister, Mrs. Indira Gandhi, to formulate the country's cultural policy and coordinate the activities of various bodies dealing with arts, archaeology, anthropology, archives and museums, and provide guidelines for future plans and programmes of institutions engaged in cultural promotion. The members of the council will include the Ministers of Education, Finance, Tourism and Environment, the chairmen of the Sahitya, Lalit Kala and Sangeet Natak Akademies and the Directors-General of Archaeology, National Library and National Museum, besides eight eminent scholars and personalities associated with creative arts. In addition to this National Council of Arts, a National Trust for Arts and Cultural Heritage is being set up, under the chairmanship of Mr. Rajiv Gandhi, to acquire, preserve and supervise some unique buildings and other properties of artistic or historical importance as in countries like Britain and France. It will have a wide membership of people drawn from different walks of life who have an interest in the preservation of the old palaces and other structures, which are different from ancient monuments looked after by the Archaeological Department. The National Council of Arts will take suitable steps for the conservation of the country's classical languages which have not been receiving due attention. It will also advise the Government on the setting up of new national cultural institutions. [Text] [Madras THE HINDU in English 4 Sep 83 p 1]

PANELS ON STEEL, ELECTRONICS--NEW DELHI, Sept. 2. The Planning Commission has set up a 20-member working group for the electronics industry with Mr. P. P. Gqpta, Secretary, Department of Electronics, as chairman, to review the present capacity, production, consumption, import, export and the science and technology programme of the industry. It will compare the achievements likely to materialise at the end of the Sixth Plan period with the earlier projections and analyse the causes of major deviations, if any. The working group will recommend a policy framework for the development of the industry. Another 18-member working group will revyew the performance of the steel industry till the end of the Sixth Plan period and analyse the capacity and production in relation to the targets. The working group, to be headed by Mr. Lovraj Kumar, Secretary of the Department of Steel, will assess the category-wise demand at the end of the Seventh and Eighth Plan periods. It will recommend the levels of annual capacity and production targets with year-wise phasing and for the perspective 15-year period. The Working Group will assess the

capacity and output in the public and private sectors up to 1989-90 and the investment needed every year till the end of the Seventh Plan period for achieving the targeted capacity and its foreign exchange component. The group will recommend measures to improve the steel plants' productivity and reduce the cost of production, identify scientific schemes. [Text] [Madras THE HINDU in English 3 Sep 83 p 6]

CANADIAN WHEAT DEAL--NEW DELHI, September 3 (UNI): The Union government has contracted to import 500,000 tonnes of wheat from Canada. The shipments are expected to commence shortly. An official spokesman said that the food position in the country was comfortable, with a record procurement of over 8.2 million tonnes of wheat and adequate stocks in the Central pool as well as in the states. Besides, the kharif prospects were bright because of widespread rains. The wheat import was meant mainly to augment the reserves, he said. [Text] [Bombay THE TIMES OF INDIA in English 4 Sep 83 p 9]

AICC-I SESSION--BOMBAY, August 29: The three-day session of the AICC (I) has been postponed to October 20. It was earlier scheduled to begin on October 7 and, accordingly, the Shanmukhananda Hall was booked by the local unit of the party. The MPCC (I) president, Prof. N. M. Kamble, told this paper today that he was telephonically informed about the postponement by AICC (I) general secretary, Mr. C. M. Stephen. No explanation for the change in schedule was given by the former minister for communication. The line got disconnected abruptly, Mr. Kamble added. Meanwhile, Prof Kamble has almost finalised the list of PCC (I) executive members. He said it would not be a 21-member body as envisaged earlier. The strength was likely to be more than 40. Apart from caste considerations, efforts are also being made to give representation to a very large number of districts. Mr. Kamble was scheduled to leave for New Delhi today alongwith the chief minister, Mr. Vasant Rao Patil, and his deputy, Mr. Ram Rao Adik to seek the central leadership's endorsement of the list. But last-minute representations from the rank and file held him up. He said by the first week of next month the list would be announced. After that, he is expected to undertake a tour of the districts. [Text] [Bombay THE TIMES OF INDIA in English 30 Aug 83 p 9]

JAILED ENVOY--BOMBAY, September 6: Gen. Timoteo Alvarenga, the Paraguayan ambassador to Taiwan and South Korea, has been convicted here of smuggling gold into the country and sentenced. Mr. A. C. Velkar, additional chief metropolitan magistrate at the Esplanade court, sentenced him yesterday to a year's rigorous imprisonment and a fine of Rs. 2 lakhs on each of four counts. The jail sentences are to run concurrently. But the convicted man has to pay a fine of Rs. 8 lakhs only as he has already served a year in COFEPOSA detention and this period was taken into account by the court. Gen. Alvarenga (57) was arrested on August 18, 1982 on arrival at Bombay airport by a Luft-hansa flight from Singapore. He was found to be in illegal possession of gold of foreign origin valued at Rs. 29.79 lakhs. He had walked through the green channel and claimed diplomatic immunity when questioned on suspicion by customs men. An examination of his passport revealed no such immunity for India. Investigations revealed that the general had earlier made two trips into the country between January, 1982 and the day he was arrested. He had smuggled into the country 84 kg. of gold worth Rs. 1.3902 crores and smuggled out foreign exchange. Of this, gold worth Rs. 1.0923 crores was disposed of in India. Mr. M. K. Patwardhan appeared as customs prosecutor, Mr. Ram Jethmalani and Mr. Madhu Patel appeared for the accused. [Text] [Bombay THE TIMES OF INDIA in English 7 Sep 83 p 1]

EAST EUROPE MARKETS--Hungary and Bulgaria have been added to the target markets of the Trade Development Authority of India (TDA), reports PTI. The review committee of the TDA which met in Delhi under the chairmanship of Union Deputy Minister for Commerce P A Sangma, noted with satisfaction that a new approach given by TDA to specifics rather than generalities, i.e. on the exporters rather than the exporting community, and specific products rather than the product group, had enabled the TDA to capture better foreign market. The performance of TDA during 1982-83 was laudatory with the addition of 160 new units, an increase of 19 per cent over the previous year, the committee noted. [Text] [New Delhi PATRIOT in English 4 Sep 83 p 7]

ANTARCTIC TREATY APPROVAL--NEW DELHI, Aug 27. After informal consultations with the contracting parties that initially signed the Antarctic Treaty, India has submitted its instrument of accession to the depository power, the United States, on the understanding that it would be admitted as a consultative power with the right of participation on an equal footing with them in all discussions. The intention is to give a wider dimension to the treaty by joining it as a full member of the consultative group, which is different from ordinary membership with only observer status at all policy-making meetings, to project the views and safeguard the interests of the non-aligned nations. The economic declaration of the seventh non-aligned summit in Delhi called for a comprehensive study of the Antarctica during the next U.N. General Assembly session with a view to "widening international cooperation" in the area, while ensuring its continued use only for peaceful purposes. [Text] [Article by G. K. Reddy] [Madras THE HINDU in English 28 Aug 83 p 12]

FISHERMEN HARASSED--NEW DELHI, Aug. 27. India has conveyed its concern to Sri Lanka over harassment of its fishermen by the Sri Lankan Navy. The matter was taken up both in Delhi and at Colombo recently following receipt of complaints of harassment from Indian fishermen at Rameswaram. The High Commissioner of Sri Lanka, Mr. Tilakaratna, was called to the External Affairs Ministry to convey India's concern. Sri Lanka has been requested that Indian fisherman be allowed to fish in the traditional areas without hindrance and treated properly. [Text] [Madras THE HINDU in English 28 Aug 83 p 1]

TIES WITH ROMANIA--BUCHAREST, Sept 3 (PTI)--India and Romania have stressed the need to further diversify and strengthen bilateral relations, especially in the economic field. This is the outcome of a four-day visit to External Affairs Minister P V. Narasimha Rao to Romania. Mr Rao held discussions with his Romanian counterpart Stefan Andrei, and other senior officials of the Romanian Foreign Ministry. Indian Ambassador to Romania Mr G. Gajendra Singh was also present at the talks at which Mr Narasimha Rao gave a resume of developments in the South Asian region and India's neighbourhood, especially in the context of recently-concluded South Asian Regional Conference (SARC). [Text] [New Delhi PATRIOT in English 4 Sep 83 p 8]

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